
IBERVILLE PARISH SCHOOL BOARD
PLAQUEMINE, LOUISIANA

BASIC FINANCIAL STATEMENTS

JUNE 30, 2005

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 11 / 1 / 06



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IBERVILLE PARISH SCHOOL BOARD
PLAQUEMINE, LOUISIANA

BASIC FINANCIAL STATEMENTS

JUNE 30, 2005

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INDEPENDENT AUDITOR'S REPORT

To the Iberville Parish School Board
Plaquemine, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Iberville Parish School Board (the School Board), as of and for the year ended June 30, 2005, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2005, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 10, 2006, on our consideration of Iberville Parish School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 10 and 47 through 48 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying other supplementary information on pages 46 through 63 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Pasttharath J. Mitturally

October 10, 2006

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2005

As management of the Iberville Parish School Board (hereinafter, School Board), we offer readers of the School Board's financial statements this narrative overview and analysis of the financial activities of the School Board for the fiscal year ended June 30, 2005.

Financial Highlights

- The assets of the School Board exceeded its liabilities at the close of the most recent fiscal year by \$34,528,260 (*net assets*). Of this amount, \$13,834,787 (*unrestricted net assets*) may be used to meet the School Board's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the School Board's governmental funds reported combined ending fund balances of \$15,600,431, an increase of \$1,140,648 in comparison with the prior year. Of the total, approximately \$12,418,590 is *available for spending* at the School Board's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$8,495,989, or 30.7% of the total General Fund expenditures.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the School Board's basic financial statements. These basic financial statements are composed of three components: 1) government-wide financial statements; 2) fund financial statements; and, 3) notes to the financial statements.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the School Board's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the School Board's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the School Board is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., uncollected taxes and earned by unused sick leave).

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2005

Both of the government-wide financial statements present functions of the School Board that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The School Board has no functions or activities which are business-like in nature, meaning that they are primarily supported by user fees and charges for services, such as a municipally owned utility system. The governmental activities of the School Board include regular and special educational programs, support services, administration, maintenance, student transportation and school food services. The School Board contains no other units of government (component units) nor is it contained as a component unit of any other level of local or state government.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over the resources that have been segregated for specific activities or objectives. The School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School Board can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School Board's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The School Board maintains dozens of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the Debt Service Fund, all of which are considered to be *major funds*. The remaining funds are combined into a single, aggregated presentation under the label of *other governmental funds*, which contains all the non-major funds. Individual fund data for each of these non-major funds is provided in the form of *combining statements* elsewhere in the financial statements.

The School Board adopts annual appropriated budgets for all funds except expenditure-driven grant funds. Budgets for those types of grant funds are submitted by the grant supervisor to the Louisiana Department of Education, which approves the grant budgets and, through which flows requests for reimbursement. In virtually all cases, revenues received will equal expenditures and transfers of indirect costs, meaning that these funds do not have fund balances to carry forward to future periods. The School Board does adopt formal budgets for the General Fund, Debt Service Fund, and those Special Revenue Funds which are funded by local taxes. A budgetary comparison statement has been provided for the General Fund's formally adopted budget.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2005

Internal Service Fund. Operation of the School Board's self-insured health plan.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of outside parties such as students. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the School Board's programs. The sole fiduciary fund of the School Board is the School Activity Fund, which contains monies belonging to the schools, their students, and clubs or other activities.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. Included therein are the combining statements referred to earlier in connection with non-major governmental funds. Also, under the label of *other supplementary information* can be found data on individual school activity funds, capital assets, and information required to be presented by state statute.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the School Board, assets exceeded liabilities by \$34,528,260 at the close of the most recent fiscal year.

By far the largest portion of the School Board's net assets (59.9%) reflects its investment in capital assets (e.g., land, buildings, furniture and equipment), less any related debt used to acquire those assets that is still outstanding. The School Board uses these capital assets in the delivery of services to its students and citizens; consequently, these assets are *not* available for future spending. Although the School Board's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining balance of unrestricted net assets (\$13,834,787) may be used to meet the School Board's ongoing obligations to its citizens, creditors, parents, staff, and students.

At the end of the current fiscal year, the School Board is able to report positive balances in both categories of net assets, just as it has done for the prior year.

The School Board's net assets increased by \$4,202,279 during the current fiscal year. This increase is due to increases in revenue from those of the prior year.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2005

STATEMENT OF NET ASSETS

	<u>2005</u>	<u>2004</u>	<u>% Change</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 16,807,366	\$ 15,602,026	7.72%
Certificates of deposit	200,000	200,000	-
Receivables	4,183,162	2,667,391	56.83%
Inventory	28,743	15,902	80.75%
Land, building , and equipment – net	<u>35,108,473</u>	<u>35,875,930</u>	<u>(2.14%)</u>
 TOTAL ASSETS	 <u>56,327,744</u>	 <u>54,361,249</u>	 <u>3.62%</u>
 <u>LIABILITIES AND NET ASSETS</u>			
<u>LIABILITIES</u>			
Salaries, payroll deductions, and withholdings payable	3,411,658	3,236,068	5.43%
Accounts payable	1,723,158	1,333,620	29.21%
Deferred revenues	205,534	78,877	160.57%
Compensated absences payable	2,044,134	2,106,703	(2.97%)
Long-term liabilities			
Due within one year	3,025,000	2,865,000	5.58%
Due in more than one year	<u>11,390,000</u>	<u>14,415,000</u>	<u>(20.99%)</u>
 TOTAL LIABILITIES	 <u>21,799,484</u>	 <u>24,035,268</u>	 <u>(9.30%)</u>
 <u>NET ASSETS</u>			
Invested in capital assets, net of related debt	20,693,473	18,595,930	11.28%
Unrestricted	<u>13,834,787</u>	<u>11,730,051</u>	<u>17.94%</u>
 TOTAL NET ASSETS	 <u>\$ 34,528,260</u>	 <u>\$ 30,325,981</u>	 <u>13.86%</u>

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2005

STATEMENT OF ACTIVITIES

	<u>2005</u>	<u>2004</u>	<u>% Change</u>
Revenues			
Program Revenues			
Charges for Services	\$ 196,075	\$ 200,183	(2.05%)
Operating Grants and Contributions	9,306,028	6,933,029	34.23%
Taxes			
Property Taxes	12,173,816	11,484,525	6.00%
Sales and Use Taxes	11,061,135	10,928,746	1.21%
Other Local Sources	7,464,195	6,875,712	8.56%
State Sources	11,091,748	11,113,394	(0.19%)
Total Revenues	<u>\$ 51,292,997</u>	<u>\$ 47,535,589</u>	<u>7.90%</u>
Expenses			
Instruction	21,657,104	20,388,668	6.22%
Support Services	21,887,282	22,902,214	(4.43%)
Non-Instructional Services	2,769,285	2,817,896	(1.73%)
Debt Service	777,047	857,103	(9.34%)
Capital Outlay	-	1,021,955	(100%)
Total Expenses	<u>47,090,718</u>	<u>47,987,836</u>	<u>(1.87%)</u>
Excess (Deficiency) of Revenues over Expenses	<u>\$ 4,202,279</u>	<u>\$ (452,247)</u>	<u>(1029.20%)</u>

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2005

- Increase in Operating Grants and Contributions Revenue is due to increased revenue in Reading First of approximately \$2,000,000 from the prior year.
- Decrease in Capital Outlay is due to purchases of Buildings of approximately \$1,000,000 and purchases of furniture and equipment of approximately \$600,000 in the prior year.

Financial Analysis of the School Board's Funds

As noted earlier, the School Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the School Board's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the School Board's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the School Board's governmental funds reported combined ending fund balances of \$15,600,431, a increase of \$1,140,648 in comparison with the prior fiscal year. Approximately 79.6%, or \$12,418,590 of this total constitutes *unreserved fund balance*, which is available for spending at the School Board's discretion. The remainder of fund balance is *reserved* to indicate that it is *not* available for new spending since it is legally obligated to pay debt service and other obligations.

The General Fund is the chief operating fund of the School Board. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$8,495,989 (designated and undesignated), while unreserved and undesignated fund balance is \$5,976,942. The designations of fund balance represent the School Board's plans for keeping a portion of unreserved fund balance to be set aside for specific purposes, as follows: 1) Deferred Maintenance on facilities (\$1,253,138); 2) Employee Salary Protection, in case of a sudden fall in revenues (\$973,769); 3) Property Insurance Deductible, to cover the \$250 thousand deductible on the property insurance policy (\$272,142); and 4) Unemployment Insurance to cover what may have to be reimbursed to the Louisiana Department of Labor for unemployment benefits (\$19,998).

The debt service fund balance decreased by \$75,966 since the millage levy was reduced to 11 mills several years ago to reflect a reduced need for revenue due to the build-up of fund balance over the past 14 years. This fund balance will reduce each year over the next six years until the bonds are paid in full in October 2008. At that time, the balance should be zero.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2005

General Fund Budgetary Highlights

The original budget was not changed or amended during the year, therefore it is the final budget. Actual revenues exceeded anticipated revenues by approximately \$900,000, and actual expenditures were approximately \$1.2 million less than anticipated.

Capital Asset and Debt Administration

Capital assets. The School Board's investment in capital assets as of June 30, 2005 amounts to \$35,108,473 (net of accumulated depreciation). This investment includes land, buildings and improvements, furniture, machinery and equipment.

Governmental activities		
	<u>2005</u>	<u>2004</u>
Land	\$799,106	\$799,106
Buildings and improvements	52,710,684	52,710,684
Furniture and equipment	8,146,651	7,594,391
Less: Accumulated depreciation	(26,547,968)	(25,228,251)
Total, net of depreciation	\$35,108,473	\$35,875,930

Additional information on capital assets and depreciation may be found in the "Notes to the Financial Statements".

Long-term debt. At the end of the current fiscal year, the School Board had bonded debt outstanding of \$14,415,000 as compared to \$17,820,000 in the prior year ended June 30, 2004. This amount is from two outstanding bond issues; Series 2002 General Obligation Bond, and Series 2002 Certificate of Indebtedness.

Economic Factors and Next Year's Budget

It is evident that construction activity at the local petro-chemical plants will increase in the next year due to a new plant being built in the parish. Therefore, we are forecasting the 2005-2006 sales tax budget at \$550,000 per month as compared to \$450,000 per month in the prior year.

Minimum Foundation Program (MFP) funding increased by \$2,601,728 from 2004-2005 to 2005-2006. This increase was due to an increase in the per pupil allotment due to inflationary factors and also because of the increase of displaced students due to hurricane Katrina.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2005

Property taxes were re-assessed in 2004. The Board approved a roll forward of the millages which will result in a slight increase in property tax revenues for 2005 and 2006.

On the expenditure side in 2005-2006, there are no significant expenditures scheduled at this time.

Significant conservative spending measures are expected to take place in the fiscal year 2006.

Requests for Information

This financial report is designed to provide a general overview of the School Board's finances for those with an interest in the government's financial position and operations. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Martin H. Bera, Iberville Parish School Board, Post Office Box 151, Plaquemine, LA 70765-0151. Mr. Bera may also be reached through e-mail at the following address beram@ipsb.net.

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

STATEMENT OF NET ASSETS

JUNE 30, 2005

ASSETS

	<u>2005</u>
Cash and cash equivalents	\$ 16,807,366
Certificates of deposit	200,000
Receivables	4,183,162
Inventory	28,743
Land, building, and equipment - net	<u>35,108,473</u>
 TOTAL ASSETS	 <u>56,327,744</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Salaries, payroll deductions, and withholdings payable	3,181,254
Accounts payable	1,723,158
Accrued interest payable	230,404
Deferred revenues	205,534
Compensated absences payable	2,044,134
Long-term liabilities	
Due within one year	3,025,000
Due in more than one year	<u>11,390,000</u>
 TOTAL LIABILITIES	 <u>21,799,484</u>

NET ASSETS

Invested in capital assets, net of related debt	20,693,473
Unrestricted	<u>13,834,787</u>
 TOTAL NET ASSETS	 <u>\$ 34,528,260</u>

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****STATEMENT OF ACTIVITIES**
FOR THE YEAR ENDED JUNE 30, 2005

		<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Assets</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Unit 2005</u>
<u>Functions/Programs</u>				
Instruction:				
Regular education programs	\$ 11,981,914	\$ -	\$ 663,921	\$ (11,317,993)
Special education programs	4,837,396	-	464,248	(4,373,148)
Other education programs	4,837,794	-	1,491,799	(3,345,995)
Support Services:				
Pupil support services	2,155,610	-	705,861	(1,449,749)
Instructional staff services	2,192,207	-	529,434	(1,662,773)
General administration services	6,954,923	-	3,148,576	(3,806,347)
School administration services	2,368,358	-	138,194	(2,230,164)
Business services	522,329	-	10,138	(512,191)
Plant operation and maintenance	4,958,130	-	195,960	(4,762,170)
Student transportation services	2,622,863	-	108,867	(2,513,996)
Central services	112,862	-	1,732	(111,130)
Non-Instructional Services:				
Food service	2,596,129	196,075	1,845,317	(554,737)
Community service programs	173,156	-	1,981	(171,175)
Debt Service:				
Interest and bank charges	777,047	-	-	(777,047)
Capital outlay	-	-	-	-
Total Governmental Activities	47,090,718	196,075	9,306,028	(37,588,615)
Local sources				
Taxes:				
Ad valorem				12,173,816
Sales and use taxes				11,061,135
Other				7,464,195
State sources				
Unrestricted grants-in-aid				10,069,995
Restricted grants-in-aid				1,021,753
Total general revenues and special items				41,790,894
Excess of revenues over expenses				4,202,279
Net Assets - July 1, 2004				30,325,981
Net Assets - June 30, 2005				\$ 34,528,260

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****GOVERNMENTAL FUNDS****BALANCE SHEET****JUNE 30, 2005**

	<u>General</u>	<u>Title I</u>	<u>Academic Enhancement</u>	<u>Bond Sinking</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ 6,885,594	\$ 15,838	\$ 2,782,535	\$ 3,174,107
Certificates of Deposit	200,000	-	-	-
Receivables	801,553	591,845	112,566	7,734
Due from other funds	3,359,628	853,178	-	-
Inventory	-	-	-	-
TOTAL ASSETS	\$ 11,246,775	\$ 1,460,861	\$ 2,895,101	\$ 3,181,841
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Salaries, payroll deductions, and withholdings payable	\$ 2,409,435	\$ 109,556	\$ 596	\$ -
Accounts payable	326,351	66,113	780	-
Due to other funds	15,000	1,285,192	1,150,000	-
TOTAL LIABILITIES	2,750,786	1,460,861	1,151,376	-
Fund balances:				
Reserved for debt service	-	-	-	3,181,841
Unreserved:				
Designated for deferred maintenance	1,253,138	-	-	-
Designated for employee salary protection	973,769	-	-	-
Designated for property insurance deductible	272,142	-	-	-
Designated for unemployment insurance	19,998	-	-	-
Unreserved, undesignated	5,976,942	-	1,743,725	-
TOTAL FUND BALANCES	8,495,989	-	1,743,725	3,181,841
TOTAL LIABILITIES AND FUND BALANCES	\$ 11,246,775	\$ 1,460,861	\$ 2,895,101	\$ 3,181,841

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****GOVERNMENTAL FUNDS****BALANCE SHEET****JUNE 30, 2005**

	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 2,604,122	\$ 15,462,196
Certificates of Deposit	-	200,000
Receivables	2,669,464	4,183,162
Due from other funds	679,871	4,892,677
Inventory	28,743	28,743
 TOTAL ASSETS	 <u>\$ 5,982,200</u>	 <u>\$ 24,766,778</u>
 <u>LIABILITIES AND FUND BALANCES</u>		
Liabilities:		
Salaries, payroll deductions, and withholdings payable	\$ 628,366	\$ 3,147,953
Accounts payable	604,856	998,100
Due to other funds	2,570,102	5,020,294
 TOTAL LIABILITIES	 <u>3,803,324</u>	 <u>9,166,347</u>
 Fund balances:		
Reserved for debt service	-	3,181,841
Unreserved:		
Designated for deferred maintenance	-	1,253,138
Designated for employee salary protection	-	973,769
Designated for property insurance deductible	-	272,142
Designated for unemployment insurance	-	19,998
Unreserved, undesignated	2,178,876	9,899,543
 TOTAL FUND BALANCES	 <u>2,178,876</u>	 <u>15,600,431</u>
 TOTAL LIABILITIES AND FUND BALANCES	 <u>\$ 5,982,200</u>	 <u>\$ 24,766,778</u>

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2005

Total fund balances - governmental funds		\$ 15,600,431
Cost of capital assets at June 30, 2005	61,656,441	
Less: accumulated depreciation as of June 30, 2005	<u>(26,547,968)</u>	35,108,473
Consolidation of internal service funds		508,894
Elimination of interfund assets and liabilities		
Due from other funds	5,020,940	
Due to other funds	<u>(5,020,940)</u>	-
Long-term liabilities at June 30, 2005		
Certificates of indebtedness	(14,415,000)	
Accrued interest payable	(230,404)	
Compensated absences payable	<u>(2,044,134)</u>	<u>(16,689,538)</u>
Total net assets at June 30, 2005 - governmental activities		<u>\$ 34,528,260</u>

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****ALL GOVERNMENTAL FUND TYPES****FOR THE YEAR ENDED JUNE 30, 2005****Governmental Fund Types**

	General	Title I	Academic Enhancement	Bond Sinking
<u>Revenues:</u>				
Local sources:				
Taxes:				
Ad valorem	\$ 8,244,640	\$ -	\$ -	\$ 3,324,729
Sales and use	5,605,501	-	1,243,559	-
Rentals, leases, and royalties	13,601	-	-	-
Food sales	-	-	-	-
Earnings on investments	93,180	-	15,175	70,722
Other	663,365	-	-	-
State sources:				
Unrestricted grants-in-aid	9,687,315	-	-	-
Restricted grants-in-aid	477,264	-	-	-
Federal sources:				
Restricted grants-in-aid - direct	31,923	1,949,204	-	-
Commodities - United States Department of Agriculture	-	-	-	-
Total revenues	<u>24,816,789</u>	<u>1,949,204</u>	<u>1,258,734</u>	<u>3,395,451</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular education programs	10,549,808	-	56,706	-
Special education programs	3,974,416	-	-	-
Other education programs	802,625	1,525,836	-	-
Support services:				
Pupil support services	1,064,651	-	21,497	-
Instructional staff services	1,282,446	92,136	84,167	-
General administration services	1,099,163	3,000	14	111,108
School administration services	2,065,446	-	-	-
Business and central services	494,287	23,708	-	-
Plant operation and maintenance	3,571,890	-	-	-
Transportation	2,367,563	-	-	-
Central services	107,233	-	-	-

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****ALL GOVERNMENTAL FUND TYPES****FOR THE YEAR ENDED JUNE 30, 2005****Governmental Fund Types**

	General	Title I	Academic Enhancement	Bond Sinking
Expenditures (continued):				
Non-instructional services:				
Food service	\$ 266,380	\$ -	\$ -	\$ -
Community service programs	8,363	161,200	-	-
Debt service:				
Principal retirement	-	-	-	2,865,000
Interest and bank charges	-	-	-	762,082
Capital outlay	-	-	-	-
Total expenditures	27,654,271	1,805,880	162,384	3,738,190
Excess (deficiency) of revenues over expenditures	(2,837,482)	143,324	1,096,350	(342,739)
Other financing sources (uses):				
Operating transfers out	(366,065)	(143,324)	(1,150,000)	-
Operating transfers in	4,123,813	-	-	266,773
Total other financing sources (uses)	3,757,748	(143,324)	(1,150,000)	266,773
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	920,266	-	(53,650)	(75,966)
Fund balances at beginning of year	7,575,723	-	1,797,375	3,257,807
Fund balances at end of year	\$ 8,495,989	\$ -	\$ 1,743,725	\$ 3,181,841

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****ALL GOVERNMENTAL FUND TYPES****FOR THE YEAR ENDED JUNE 30, 2005**

	Gov't Fund Type Other Governmental Funds	Total
<u>Revenues:</u>		
Local sources:		
Taxes:		
Ad valorem	\$ 604,447	\$ 12,173,816
Sales and use	4,212,075	11,061,135
Rentals, leases, and royalties	-	13,601
Food sales	196,075	196,075
Earnings on investments	7,242	186,319
Other	14,533	677,898
State sources:		
Unrestricted grants-in-aid	382,680	10,069,995
Restricted grants-in-aid	544,489	1,021,753
Federal sources:		
Restricted grants-in-aid - direct	7,198,393	9,179,520
Commodities - United States		
Department of Agriculture	126,508	126,508
Total revenues	<u>13,286,442</u>	<u>44,706,620</u>
<u>Expenditures:</u>		
Current:		
Instruction:		
Regular education programs	1,204,738	11,811,252
Special education programs	842,416	4,816,832
Other education programs	2,706,989	5,035,450
Support services:		
Pupil support services	1,280,842	2,366,990
Instructional staff services	960,700	2,419,449
General administration services	43,450	1,256,735
School administration services	250,764	2,316,210
Business and central services	18,397	536,392
Plant operation and maintenance	355,586	3,927,476
Transportation	197,548	2,565,111
Central services	3,143	110,376

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****ALL GOVERNMENTAL FUND TYPES****FOR THE YEAR ENDED JUNE 30, 2005**

	Gov't Fund Type Other Governmental Funds	Total
Expenditures (continued):		
Non-instructional services:		
Food service	\$ 2,337,081	\$ 2,603,461
Community service programs	3,593	173,156
Debt service:		
Principal retirement	-	2,865,000
Interest and bank charges	-	762,082
Capital outlay	-	-
Total expenditures	<u>10,205,247</u>	<u>43,565,972</u>
Excess (deficiency) of revenues over expenditures	<u>3,081,195</u>	<u>1,140,648</u>
Other financing sources (uses):		
Operating transfers out	(3,112,650)	(4,772,039)
Operating transfers in	381,453	4,772,039
Total other financing sources (uses)	<u>(2,731,197)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	349,998	1,140,648
Fund balances at beginning of year	<u>1,828,878</u>	<u>14,459,783</u>
Fund balances at end of year	<u>\$ 2,178,876</u>	<u>\$ 15,600,431</u>

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana
RECONCILIATION OF THE GOVERNMENTAL FUNDS -
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE TO STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2005

Total net changes in fund balance - governmental funds		\$	1,140,648
Capital assets:			
Capital outlay capitalized	\$	1,141,094	
Loss on capital outlay disposals		(44,018)	
Depreciation expense for the year ended June 30, 2005		<u>(1,864,533)</u>	(767,457)
Consolidation of internal service funds			916,484
Long-term debt:			
Principal portion of debt service payments		2,865,000	
Excess of interest accrued over interest paid		(14,965)	
Excess of compensated absences used over amounts earned		<u>62,569</u>	<u>2,912,604</u>
Change in net assets - governmental activities		\$	<u>4,202,279</u>

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

PROPRIETARY FUND
STATEMENT OF NET ASSETS
JUNE 30, 2005

	Internal Service
<u>ASSETS</u>	
Cash and cash equivalents	\$ 1,345,170
Due from other funds	128,263
	<hr/>
TOTAL ASSETS	1,473,433
	<hr/>
<u>LIABILITIES AND NET DEFICIT</u>	
Liabilities:	
Accounts payable	930,592
Due to other funds	33,947
	<hr/>
TOTAL LIABILITIES	964,539
	<hr/>
Net asset:	
Unreserved, undesignated	508,894
	<hr/>
TOTAL NET ASSETS	\$ 508,894
	<hr/>

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

PROPRIETARY FUND

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2005

	Internal Service
<u>Operating revenues</u>	
Premiums received	\$ 6,582,600
Total operating revenues	6,582,600
<u>Operating expenses</u>	
Medical claims expense	4,187,351
Prescription drug expense	1,099,557
Claims administration fees	381,405
Other fees and charges	1,580
Total operating expenses	5,669,893
Net operating Income	912,707
<u>Non-operating revenues</u>	
Interest income	3,777
Total non-operating revnues	3,777
Changes in net assets	916,484
Net deficit - beginning	(407,590)
Net assets - ending	\$ 508,894

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana
PROPRIETARY FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2005

	<u>Internal Service</u>
<u>Cash flows from operating activities</u>	
Premiums received	\$ 6,585,885
Claims and benefits paid	(5,214,204)
Administrative and other fees paid	(382,985)
	<hr/>
Net cash provided by operating activities	988,696
	<hr/>
<u>Cash flows from investing activities</u>	
Interest income	3,777
	<hr/>
Net cash provided by investing activities	3,777
	<hr/>
<u>Cash flows from financing activities</u>	
Cash used in transfers out	(48,332)
	<hr/>
Net cash used in financing activities	(48,332)
	<hr/>
Net increase in cash	944,141
Cash - beginning	401,029
	<hr/>
Cash - ending	<u>\$ 1,345,170</u>

**RECONCILIATION OF OPERATING INCOME TO CASH USED IN
OPERATING ACTIVITIES**

Operating Income	\$ 912,707
Adjustments to reconcile operating loss to net cash used in operating activities:	
Decrease in accounts receivable	3,285
Increase in accounts payable	72,704
	<hr/>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 988,696</u></u>

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2005

Assets

Cash and cash equivalents	\$ 262,106
Total assets	<u>\$ 262,106</u>

Liabilities

Deposits due others	\$ 262,106
Total liabilities	<u>\$ 262,106</u>

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

I. Summary of significant accounting policies

A. Reporting Entity

The Iberville Parish School Board (hereinafter, "School Board") is a political subdivision of the State of Louisiana. It was created by Louisiana Statutes Annotated Revised Statute (LSA-R.S.) 17:51 to provide public education for the children of Iberville Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is composed of 15 members elected concurrently from 15 single member districts for terms of four years. The terms of the current School Board members expire on December 31, 2006.

The School Board operated nine schools within the Parish with at total enrollment at October 1, 2004 of 4,310 students. In conjunction with the regular educational programs, some of the schools offer special education, vocational education, and/or adult education classes. There is an alternative education program for students who have either been expelled, or those who have fallen two or more years behind the grade level of their peers. In addition, the School Board provides transportation and food service for students.

GASB Statement No. 14, *The Reporting Entity*, and GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, establish criteria for determining the governmental reporting entity and component units, which should be included within the reporting entity. Under provisions of these Statements, the School Board is considered a *primary government* since it is a single purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, the term "fiscally independent" means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board has no *component units*, defined by GASB Statement Nos. 14 and 39 as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

B. Basis of presentation

The financial statements of the School Board have been prepared in conformity with accounting principles generally accepted in the United States as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

This financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued in June 1999.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

C. Government-wide and fund financial statements

Under GASB Statement No. 34, the government-wide financial statements (i.e., the statements of net assets and the statement of changes in net assets) report information on all the non-fiduciary activities of the School Board. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include: 1) charges to customers or users who purchase, use or directly benefit from goods or services provided by a given function, and 2) grants that are restricted to meeting the operational or capital requirements of a particular function. Taxes or other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for the governmental funds and the fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

D. Measurement focus, basis of accounting, and financial statement presentation.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability has been incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Sales and use taxes are recognized as revenues when collected by the Iberville Parish Sales and Use Tax Department, a division of the Iberville Parish Government. Grants and similar items (including the state minimum foundation program distribution) are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School Board considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

D. Measurement focus, basis of accounting, and financial statement presentation (cont'd)

Property taxes, sales and use taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenues are considered to be measurable and available when cash has been received by the School Board.

The School Board reports the following major funds:

The General Fund is the School Board's primary operating fund, it accounts for all financial resources of the School Board, except those required to be accounted for in another fund.

Title I is a Special Revenue Fund. Title I of the LISA is a program for economically and educationally deprived school children which is federally financed, state-administered, and locally operated by the school board. The Title I services are provided through various projects that are designed to meet the special needs of educationally deprived children. The activities supplement, rather than replace, state and locally mandated activities.

Academic Enhancement is a special revenue fund. The Sales Tax Academic Programs Fund accounts for 33.33% of the proceeds of the 2/3 of one percent sales and use tax approved by parish voters on July 13, 1991. The Fund is dedicated to provide academic program enhancements throughout the school system.

The Debt Service Fund accounts for the resources accumulated and payments made for principal, interest and related charges on general long-term obligation debt of the School Board.

Additionally, the School Board reports the activities of its self-insured health plan as an *internal service fund*. Since the sources of revenue for this fund are generated from member (employee and retiree) and School Board contributions are not from third parties, it is not considered a "*business-type activity*" and therefore not reported in a separate column in the government-wide financial statements. It is accounted for using the economic resources measurement focus and the accrual basis of accounting.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide funds and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance from the GASB. The School Board has elected *not* to follow subsequently issued private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

D. Measurement focus, basis of accounting, and financial statement presentation (cont'd)

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The sole proprietary fund of the School Board is the self-insured health plan internal service fund, as described above. Operating revenues consist of member and School Board health insurance portions of the total premium for coverage, and operating expenses relate to the payment of health, medical, and prescription drug claims, as well as payments to the third-party plan administrator. All other revenues and expenses not meeting this definition are reported as nonoperating items.

When both restricted and unrestricted resources are available for use, it is the School Board's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Assets, liabilities, and net assets or equity

1. Deposits and investments

Cash and cash equivalents are considered to be cash on hand, interest-bearing demand deposits, and short-term investments (usually time certificates of deposit), including investments in the Louisiana Asset Management Pool (LAMP). All of these cited instruments are considered cash equivalents, as long as their original maturities are of three months or less from the date of acquisition.

State statutes authorize the School Board to invest in United States Treasury Securities (e.g., treasury bills), or certificates or time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. Public entities in Louisiana are also authorized to invest in the LAMP, a non-profit corporation organized under Louisiana law and operated by the State Treasurer as a local government investment pool. Since LAMP investments may be liquidated in whole or in part at any time at par, the cost of LAMP investments is also the fair market value of the investments.

2. Interfund Transactions

During the course of normal operations, the School Board has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets and service debt. The accompanying financial statements generally reflect such transactions as operating transfers.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

3. Ad valorem taxes

Ad valorem (property) taxes were levied by the School Board on September 13, 2004, based on assessed valuation of property as of January 1, 2004. These taxes become due and payable on November 15 of each year, and become delinquent after December 31 of the year levied. However, before the taxes can be collected, the assessment list (i.e., tax roll) must be submitted to the Louisiana Tax Commission for approval. From the day the tax roll is filed with the Iberville Parish Clerk of Court's Office, it shall act as a lien on each specific piece of real estate thereon assessed, which shall be subject to a legal mortgage after the 31st day of December of the current year for the payment of the taxes due thereon. Over 98% of ad valorem taxes are generally collected in December, January, and February of the fiscal year. A list of property on which taxes have not been paid is published in the official journal by the Iberville Parish Tax Collector, which is a division of the Iberville Parish Sheriff's Office (in Louisiana, the Sheriff's Office is the legally authorized collection agency for property taxes in each parish). If taxes are not paid within the time stipulated in the public notice, the property is sold for taxes due at a tax sale, usually held prior to the end of the School Board's fiscal year. Consequently, any taxes left unpaid at June 30 of each year are usually immaterial.

The following are the School Board authorized and levied ad valorem taxes for 2004:

<u>Parish-wide taxes</u>	<u>Authorized Mills</u>	<u>Levied Mills</u>	<u>Expiration Date</u>
Constitutional	3.93	3.93	Not Applicable
Maintenance	7.00	7.00	12/31/2012
Special Maintenance	4.84	4.84	12/31/2007
Alternative School	2.00	2.00	12/31/2005
Salaries and Benefits	10.50	10.50	12/31/2008
Bond Sinking Fund	Variable	11.00	Not Applicable

Under the Louisiana Constitution, ad valorem taxes other than the Constitutional Tax must be renewed by popular vote every ten (10) years. The bonded indebtedness tax (bond sinking fund) remains in effect until all bond principal, interest and associated fees have been paid in full.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

4. Sales and use taxes

On February 19, 1966, parish voters approved the levy of a one percent (1%) sales and use tax. The net proceeds (after deduction for the cost of collection) are dedicated to and used for the payment of a portion of the salaries of teachers in the elementary and secondary schools in the parish and/or for the costs of operating the schools. Proceeds from this tax are included as revenue in the General Fund.

On July 13, 1991, parish voters approved the levy of an additional two-thirds of one percent (0.6667%) sales and use tax to be levied by the School Board. The net proceeds of this tax are dedicated as follows: 1) 66.67% to be used for employee salaries, benefits and school bus operations; 2) 33.33% to fund academic program enhancements. Proceeds of both of these dedications are accounted for in the Special Revenue Funds.

On October 20, 2002, parish voters approved the levy of an additional one-third of one percent (0.3333%) sales and use tax to be levied by the School Board. The net proceeds of this tax are dedicated to the payment of health benefits for employees and retirees. Any excess (after said benefit payments are made) may be used to provide employee salary supplements.

All of the above taxes are collected by the Iberville Parish Sales and Use Tax Department, which collects all sales and use taxes parish-wide for a cost to the School Board of fifty percent (50%) of the total costs of collections. Also, all sales and use taxes are levied in perpetuity and do not require renewal by popular vote.

5. Inventories and prepaid items

Inventories of the School Lunch Special Revenue Fund consist of food purchased by the School Board, and commodities granted by the United States Department of Agriculture (USDA) through the Louisiana Department of Agriculture and Forestry. Inventory items purchased are valued at cost using the "first-in, first-out" (FIFO) method. Costs are recorded as expenditures at the time the individual items are consumed (consumption method). Commodities are assigned values based on information provided by the USDA, also on a FIFO basis. The amount of commodity inventory is included in deferred revenue until consumed.

Prepaid items represents costs paid in advance which are applicable to future accounting periods. An evaluation of such items indicates that any amounts which might be included as prepaid items are generally immaterial and therefore not recorded on the neither government-wide nor fund financial statements.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

6. Restricted assets

Restricted assets are cash, cash equivalents or investments whose use is limited by legal requirements such as a bond indenture. Restricted assets, if any, are reported only in the government-wide financial statements.

7. Capital assets

Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. Capital assets are not included within the depreciable assets (those subject to depreciation) of the School Board unless they cost on an individual basis \$1,000 or more and have an estimated useful life of two or more years. Items costing less than that are "expensed" at the time of purchase rather than depreciated. Depreciable assets do not have an assigned salvage value since any such amount would be generally immaterial. However, for purposes of insurance and maintaining an accountability of items generally subject to theft or misuse, the School Board does keep a separate inventory of items having a "street value" (e.g., televisions, VCR's, DVD players, etc.)

Capital assets purchased or constructed are recorded at historical cost, or, estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Generally due to the climate in the area, roof and HVAC replacements are not capitalized. Routine carpet replacement and minor structural changes are not capitalized.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Capital assets are depreciated using the straight-line method over useful lives of 40 to 50 years for buildings and six to 20 years for furniture and equipment.

The School Board does not possess any material amounts of infrastructure assets, such as sidewalks and parking lots. Amounts expended prior to June 30, 2001 for such items were considered to be part of the cost of the buildings or other immovable property such as stadiums. In the future, if such items are built or constructed, and are material in relation to the class of assets, they will be capitalized and depreciated.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

8. Compensated absences

All School Board employees earn from ten to thirteen days of sick leave each year, depending on the number of months employed. Upon retirement (or death prior to retirement), unused sick leave of up to forty-five (45) days is paid to employees (or their heirs) at the employees daily rate of pay at the time of retirement (or death). Under the Teachers Retirement System of Louisiana (TRSL), the total unused sick leave (including any amount which may be compensated as mentioned above), is used in retirement benefit calculations as earned service for leave earned prior to July 1, 1988. For sick leave earned after June 30, 1988 under the TRSL and for sick leave earned under the School Employees Retirement System (LSERS), all unpaid sick leave, which excludes the above stated compensated days, is used in retirement benefit computations as earned service. Sick leave may be accumulated without limitation and is earned on a June 30 fiscal year basis. Certified employees may carry their accumulated sick leave from one public school district to another public school district in Louisiana.

Amounts reported as compensated absences include only the salary component and not related benefits (e.g., the Medicare portion of social security), since any such benefit amounts would be immaterial.

Twelve-month employees earn from 10 to 25 days of annual (vacation) leave each year, depending on their length of service with the School Board. Annual leave is earned on a calendar year basis, cannot be accumulated, and is forfeited if not taken by December 31 of each year.

Sabbatical leave may be granted on for medical leave or for professional and cultural improvement. Any employee whose position requires a teaching certificate is entitled, subject to approval of the School Board, to one (1) semester of sabbatical leave after three years of continuous service with the School Board, or two (2) semesters of sabbatical leave after six (6) or more years of continuous service. Persons on sabbatical leave are paid sixty-five percent (65%) of their daily rate of pay for the number of days they are on sabbatical leave. Those requesting medical sabbatical leave must have 25 or fewer days of accumulated regular sick leave at the time they expect to begin said sabbatical leave.

According to GASB Statement No. 16, *Accounting for Compensated Absences*, sabbatical leave that involves professional and cultural improvement provides a continuing benefit to the School Board and should not be accrued. Since medical sabbatical leave requires that only 25 or fewer sick leave days are available at the time the leave is taken, it is more likened to an extended sick leave benefit, and should not be accrued as sabbatical leave. Consequently, sabbatical leave benefits are recorded as current expenditures in the period the leave is taken and are not reflected as a liability on the government-wide financial statements.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

9. Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the life of the related debt.

In the fund financial statements, governmental fund types recognize bond premium or discount, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as "other financing sources" while discounts on debt issuances are reported as "other financing uses". Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

10. Fund equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

11. Comparative data/reclassifications

Comparative data for prior years have been presented in both the government-wide and fund financial statements in order to facilitate the making of comparisons between years and to reconcile changes in financial position from year-to-year. Also, certain amounts presented in prior year data have been reclassified in order to be consistent with the current year's presentation.

12. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

II. Stewardship, compliance, and accountability

A. Budgetary information

Annual budgets are adopted on the modified accrual basis of accounting for all governmental funds. All annual appropriations lapse at year-end. At the School Board meeting in August or September of each year, the Superintendent presents the proposed budgets for the General Fund, all tax supported Special Revenue Funds, the School Lunch Fund, and the Debt Service Fund. For the current fiscal year, the proposed budgets were presented to the School Board on September 13, 2004. Between August 19, 2004 and September 13, 2004, the proposed budgets were advertised in the official journal as being available for public inspection in accordance with state law. Also in that interim, the School Board reviewed the proposed budgets and called for a public hearing (also in accordance with state law) to be held on September 13, 2004. On that date, after hearing public comments thereon, the proposed budgets were adopted by the School Board. State law requires that public school districts adopt a budget no later than September 30 of each year, and report a summary of it to the State Superintendent of Education by that date.

The proposed budget is prepared and presented by fund and function in accordance with the provisions of the Louisiana Uniform Accounting Guide and Handbook (Bulletin 1929) issued by the Louisiana Department of Education. The Superintendent (or his designee) is authorized by the School Board to make transfers between or among functions, provided that the total appropriation for that fund is not exceeded. The legal level of budgetary control is therefore set at the fund level. State law requires that management present to the School Board budget amendments whenever expenditures are expected to exceed budgeted expenditures by five percent (5%) or more. Such matters are generally brought to the School Board's attention at regular meetings each month, normally during the Finance Committee recommendations.

Encumbrance accounting is employed in the governmental funds. Encumbrances (e.g., purchase orders) outstanding at year-end are reported as reservations of fund balance (if material), and do not constitute expenditures or liabilities because such commitments are re-appropriated and honored in the ensuing fiscal year.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

III. Detailed notes on all funds

A. Deposits and investments

Custodial credit risk is the risk that in the event of a financial institution failure, the School System's deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance of the pledge of securities owned by the fiscal agent financial institution. At year-end, the government's bank balance was \$18,864,214. Of this amount, \$126,810 was exposed to custodial credit risk by being uninsured and uncollateralized. It is the School Board's policy to either have deposits secured by federal deposit insurance or pledged by securities owned by the fiscal agent financial institution.

Securities that may be pledged as collateral consist of obligations of the U.S. Government and its agencies, obligations of the State of Louisiana and its municipalities and school districts.

The School Board also had invested in the Louisiana Asset Management Pool (LAMP) \$257,315. In accordance with GASB Codification Section I50.126, the investment in LAMP is not categorized according to the three categories in GASB Codification Section I50.125 because the investment in the LAMP is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. The School Board considers the LAMP investment as a "cash equivalent" due to its short-term nature. The fair value of the School Board's position in the LAMP is the same as the value of its pool shares.

B. Receivables

The receivables of \$4,183,162 at June 30, 2005 consisted of the following:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Ad valorem taxes	\$ 18,471	-	\$ 18,471
Sales and use taxes	507,220	484,449	991,669
Accounts	275,862	2,897,160	3,173,022
Total	<u>\$801,553</u>	<u>\$ 3,381,609</u>	<u>\$4,183,162</u>

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

C. Capital assets

Capital assets and depreciation activity as of and for the year ended June 30, 2005 is as follows:

	Balance 6/30/04	<u>Additions</u>	<u>Deletions</u>	Balance 6/30/05
Land	\$ 799,106	\$ -	\$ -	\$ 799,106
Buildings & Improvements	52,710,684	-	-	52,710,684
Furniture and equipment	<u>7,594,391</u>	<u>1,141,094</u>	<u>588,834</u>	<u>8,146,651</u>
	61,104,181	1,141,094	588,834	61,656,441
Accumulated depreciation	(<u>25,228,251</u>)	(<u>1,864,533</u>)	(<u>544,816</u>)	(<u>26,547,968</u>)
Capital assets, net of depreciation	<u>\$ 35,875,930</u>	<u>\$ (723,439)</u>	<u>\$ 44,018</u>	<u>\$ 35,108,473</u>

Depreciation expense of \$1,864,533 for the year ended June 30, 2005 was charged to the following governmental functions:

Instruction:	
Regular education programs	\$ 265,925
Special education programs	108,449
Other education programs	113,371
Support services:	
Pupil support services	53,292
Instructional staff services	54,473
General administration services	28,295
School administration services	52,148
Business and central services	12,077
Plant operation and maintenance	1,116,265
Transportation	57,752
Central Services	<u>2,486</u>
Total	<u>\$ 1,864,533</u>

Iberville Parish School Board
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2005

D. Due From/To Other Funds

Individual balances due from/to other funds are as follows:

<u>Fund</u>	<u>Due from other funds</u>	<u>Due to other funds</u>
General Fund	\$ 3,359,628	\$ 15,000
Special Revenue Funds:		
Academic Enhancement	-	1,150,000
Salary Benefit	-	462,595
Alternative School Fund	-	-
Title IV	-	34,852
Other State Funds	171,652	97,574
E2T2	-	148,928
JAG	-	0
Title I	853,178	1,285,192
Title V	-	1,687
School Renovation	-	1,760
Title II	-	189,891
Reading First	-	366,627
Starting Points	84,790	13,720
Class Size Reduction	-	-
Vocational Education	-	67,184
IDEA	131,955	359,277
Adult Education	-	7,768
Title III	-	611
Project Impact	77,803	373,009
REAP	-	21,326
School Lunch	213,671	236,729
Sales Tax - Benefit	-	153,263
Bond Sinking Fund	-	-
Internal Service	128,263	33,947
Total	<u>\$ 5,020,940</u>	<u>\$ 5,020,940</u>

Iberville Parish School Board
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

E. Operating Transfers

<u>Fund</u>	<u>Operating Transfers out</u>	<u>Operating Transfers in</u>
General Fund	\$ 366,065	\$ 4,123,813
Special Revenue Funds:		
Academic Enhancement	1,150,000	-
Salary Benefit	2,492,725	-
Title IV	1,051	-
Other State Funds	3,001	-
E2T2	24,782	-
Title I	143,324	-
Title V	1,617	-
School Renovation	1,602	-
Title II	46,863	-
Reading First	83,011	-
Starting Points	4,670	-
Class Size Reduction	20,830	-
IDEA	218,774	126,889
Adult Education	1,359	-
Project Impact	21,422	-
REAP	4,922	-
School Lunch	186,021	204,564
Sales Tax - Benefit	-	50,000
Bond Sinking Fund	-	266,773
Internal Service	5,922,055	5,922,055
Total	<u>\$ 10,694,094</u>	<u>\$ 10,694,094</u>

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

F. Long-term debt

General obligation bonds

The School Board, known for bonded debt purposes as "Consolidated School District No. 5 of the Parish of Iberville, Louisiana", issued on October 1, 2003, seventeen million one hundred seventy thousand dollars (\$17,170,000) of general obligation bonds for the purpose of refunding \$17,395,000 of callable series 1992 refunding bonds. All principal and interest requirements are funded in accordance with Louisiana law by the levy of an ad valorem tax on all taxable property within the Parish. The current millage rate levied for debt service purposes was 11.00 mills for the 2004 tax year. A summary of general obligation bonded debt as of June 30, 2005 is as follows:

<u>Date of issue</u>	<u>Original issue</u>	<u>Interest Rates</u>	<u>Final Maturity</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
General Obligation:					
October 1, 2003	\$17,170,000	5.00%	October 1, 2008	\$ 1,562,000	\$12,175,000
Certificate of Indebtedness:					
April 30, 2003	\$2,445,000	3 - 4.25%	September 1, 2013	\$ 390,138	\$ 2,240,000

The annual requirements to amortize all debt outstanding at June 30, 2005, including interest payments of \$1,952,138 for the bonds are as follows:

<u>Year Ending June 30</u>	<u>Series 2002, General Obligation Bond</u>	<u>Series 2002, Certificate of Indebtedness</u>	<u>Total</u>
2006	\$ 3,418,750	\$ 293,505	\$ 3,712,255
2007	3,423,250	295,409	3,718,659
2008	3,440,500	292,037	3,732,537
2009	3,454,500	293,389	3,747,889
2010	-	294,373	294,373
Thereafter	-	1,161,425	1,161,425
Total	<u>\$ 13,737,000</u>	<u>\$ 2,630,138</u>	<u>\$ 16,367,138</u>

The current portion of long-term bonded debt is \$3,025,000, and the long-term portion is \$11,390,000.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

F. Long-term debt (cont'd)

Compensated absences

Compensated absences consist of that portion of accumulated regular sick leave for which the School Board may have an obligation to pay for up to forty-five (45) days thereof. All amounts shown in the following table were computed using the employee's daily rate of pay as of June 30, 2005.

Summary of long-term obligations

	Bonds	Compensated Absences	Total
Balance at July 1, 2004	\$17,280,000	\$2,106,703	\$19,386,703
Additions	-	72,674	72,674
Deductions	(2,865,000)	(135,243)	(3,000,243)
Balance, June 30, 2005	\$14,415,000	\$2,044,134	\$16,459,134

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term general obligations, as shown on the statement of net assets:

	Bonded Debt	Compensated Absences	Total
Current portion	\$3,025,000	\$ -	\$3,025,000
Long-term portion	11,390,000	2,044,134	13,434,134
Total	\$14,415,000	\$2,044,134	\$ 16,459,134

G. General Fund – fund equity designations

Designation for Employee Salary Protection

The designation for employee salary protection is for the payment of employee salaries as well as health, life and dental insurance in the event general fund revenues are not sufficient to fund those expenditures. Additions are from interest earnings, and reductions include a transfer to fund a portion of employee health insurance until the new sales and use tax proceeds were received.

Designation for Property Insurance Deductible

The designation for property insurance deductible is to fund, in whole or in part, the \$250,000 deductible amount of the property and casualty insurance coverage. Additions are from interest earnings. There were no reductions for the year. No losses have been incurred due to casualty on property in at least 15 years.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

G. General Fund – fund equity designations (cont'd)

Designation for Unemployment Insurance

The designation for unemployment insurance is for reimbursement to the Louisiana Department of Labor, Office of Regulatory Services for benefits paid to former employees of the school board who qualify for such payments. Additions include interest earnings and interfund transfers, while reductions are for reimbursements to the Louisiana Department of Labor.

Designation for Deferred Maintenance

The designation for deferred maintenance is for setting aside funds for the payment of major repairs and maintenance on school buildings. Additions include interest earnings. Reductions include expenditures for architect fees, construction services, and transfers out.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

IV. Other information

A. Risk management

The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, employee claims for workers compensation, and natural disasters for which the School Board carries commercial insurance. All premiums for property, casualty, liability and workers compensation are paid by the General Fund and charged to the appropriate functional categories therein.

The School Board also pays 100% of the cost of life insurance for active employees, who have the option of covering their spouses and/or dependents at their cost. Maximum coverage is \$50,000 for active employees, \$4,000 for spouses and \$2,000 for other dependents.

The School Board pays between 24% for family coverage to 78% for employee coverage of the cost of dental insurance for employees.

On January 1, 2003, the School Board created a self-insured program for employee health insurance since coverage from commercial providers had become prohibitively expensive. Premiums are paid jointly by the School Board and the affected individuals into a health insurance premiums fund. From that fund, transfers are made semi-monthly into the health insurance claims fund from which all claims, which are approved for payment by the third-party administrator, are paid.

One part of the School Board's portion of the health insurance premiums are paid from the various funds which pay the salaries of the particular employees. The remainder of the School Board's portion is paid by a one-third of one percent (0.3333%) sales and use tax, approved by voters on October 20, 2002. The School Board pays varying percentage depending on the plan chosen by the individuals and whether just the employee or employee and dependent are covered. This new sales and use tax is reported as a Special Revenue Fund.

Liabilities of the self-insured health insurance program are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR's). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in medical procedures, contracts between the third-party administrator and service providers, etc. Accordingly, claims are re-evaluated periodically to consider these and other social and economic factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether or not they are allocated to specific claims. The balance of claims liabilities at the end of the current fiscal year is \$930,592.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

B. Other post-employment benefits

Persons who retire from active service with the School Board are entitled to continue their health, life and dental insurance coverage. For health insurance, the School Board pays from 45% to 81% of the monthly premiums, depending on the plan chosen, whether or not dependents are covered, and whether the School Board's self-insured plan or Medicare is the retiree's primary insurance. Life insurance for retirees (and their dependents) is paid 50% by the School Board and 50% by the retiree. For retirees, the maximum life insurance coverage is \$50,000 until age 65, \$38,000 from age 65 to 69, and \$25,000 for retirees age 70 or older. Retirees pay 100% of the cost of continuing their dental insurance for themselves and their dependents. As of June 30, 2005, the School Board covered approximately 324 retirees. The School Board finances the various plans on a pay-as-you-go basis. For the year ended June 30, 2005, the total cost to the School Board for all retiree insurance was \$1,748,504.

C. Employee retirement systems

Substantially all employees of the School Board are members of one of two statewide retirement systems. The Teachers Retirement System of Louisiana (TRSL) covers all employees except custodial personnel, maintenance employees and school transportation personnel. The latter employees are covered by the Louisiana School Employees Retirements System (LSERS). All certified, professional and clerical employees are members of the Regular Plan of the TRSL while cafeteria workers are members of Plan A of the TRSL. Both systems are cost-sharing, multiple-employer defined benefit pension plans. Each system is administered and controlled by a board of trustees. All required employee and employer contributions were made for the year ended June 30, 2005.

TRSL

Plan Description. The TRSL consists of three membership plans: Regular Plan, Plan A, and Plan B. The School Board only participates in the Regular Plan and Plan A. No employees participate in Plan B. The TRSL provides retirement benefits as well as disability and survivor benefits. Ten (10) years of service credit is required to become vested for retirement benefits and five (5) years to become vested for disability and survivor benefits. Benefits are established and amended under Chapter 2 of Title 11 of the Louisiana Revised Statutes. The TRSL issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the TRSL at Post Office Box 94123, Baton Rouge, LA 70804-9123, or by calling (225) 925-6446.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

C. Employee retirement systems (cont'd)

Funding Policy. Plan members are required to contribute 8.0% or 9.1% of their covered salary, depending on whether they are members of the Regular Plan or Plan A, respectively. The School Board is required under Title 11 of the Louisiana Revised Statutes to contribute an actuarially determined rate. The rate for the fiscal year ended June 30, 2005 was 15.5%. Member contributions and employer contributions for the TRSL are determined by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution is also supplemented, as required by state law, from deductions from eligible ad valorem taxes levied in Iberville Parish. For the year ended June 30, 2005, that amount was \$265,320.

The School Board's contributions to the TRSL, with percentages of covered payroll contributed shown in parentheses, for the last three fiscal years ended June 30, 2005, 2004 and 2003 were \$2,383,160 (15.5%), \$2,129,602 (13.8%) and \$2,344,154 (13.1%) respectively. The percentages and amounts stated represent both the required and actual contributions made.

LSERS

Plan Description. The LSERS provides retirement benefits as well as disability and survivor benefits. Ten (10) years of service credit is required to become vested for retirement benefits and five (5) years to become vested for disability and survivor benefits. Benefits are established and amended under Chapter 3 of Title 11 of the Louisiana Revised Statutes. The LSERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the LSERS at Post Office Box 44156, Baton Rouge, LA 70804-4516, or by calling (225) 925-6484.

Funding Policy. Plan members are required to contribute 7.5% of their covered salary. The School Board's contribution to the LSERS for the year ended June 30, 2005 was \$307,200 (14.8%). Member contributions and employer contributions for the LSERS are established by state law and rates are determined by the Public Retirement Systems' Actuarial Committee.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2005

D. Deferred Compensation Plan

The Omnibus Budget Reconciliation Act (ORBA) of 1990 requires that, after June 30, 1991, all part-time, seasonal and temporary employees of a governmental agency not covered by a qualified retirement plan must be included under Social Security. In response to the ORBA requirements, the School Board in June 1991 created a deferred compensation plan under Section 457 of the Internal Revenue Code for this group of employees, which meets the requirements of the Internal Revenue Service regulations as a "qualified retirement plan". Generally all employees of the School Board who work twenty hours or less per week and who are not covered by one of the retirement systems mentioned in note C above (e.g., substitute workers) are required to participate in the deferred compensation plan. Employees who meet this requirement contribute 7.5% of their gross compensation into the plan, with no corresponding contribution by the School Board. Full-time employees of the School Board may also voluntarily participate in the Section 457 plan. Upon termination of employment, retirement, death, or the occurrence of an unforeseeable emergency, the qualifying employee (or his heirs) may withdraw his contributions plus interest at a reasonable rate. Contributions made by the employee and the investment thereof are managed by an independent third party administrator selected by the School Board.

E. Litigation and Claims

The School Board is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Board's attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the government.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

MAJOR FUND DESCRIPTIONS
June 30, 2005

GENERAL FUND

The General Fund is used to account for resources traditionally associated with the school board with are not legally required or required by sound accounting practices to be accounted for in another fund.

TITLE I

Title I of the IASA is a program for economically and educationally deprived school children which is federally financed, state-administered, and locally operated by the school board. The Title I services are provided through various projects that are designed to meet the special needs of educationally deprived children. The activities supplement, rather than replace, state and locally mandated activities.

SALES TAX - ACADEMIC ENHANCEMENT

The Sales Tax Academic Programs Fund accounts for 33.33% of the proceeds of the 2/3 of one per cent sales and use tax approved by parish voters on July 13, 1991. The Fund is dedicated to provide academic program enhancements throughout the school system.

BOND SINKING FUND

The Bond Sinking Fund is used to accumulate funds for the payment of refunding general obligation bonds and certificates of indebtedness which are due in various annual installments.

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****GENERAL FUND****BUDGETARY COMPARISON SCHEDULE****FOR THE YEAR ENDED JUNE 30, 2005**

	Original & Final	Actual	Variance with Final Budget Favorable (Unfavorable)
<u>Revenues:</u>			
Local sources:			
Taxes:			
Ad valorem	\$ 7,551,643	\$ 8,244,640	\$ 692,997
Sales and use	5,400,000	5,605,501	205,501
Rentals, leases, and royalties	5,500	13,601	8,101
Earnings on investments	45,000	93,180	48,180
Other	106,000	663,365	557,365
State sources:			
Unrestricted grants-in-aid	9,687,311	9,687,315	4
Restricted grants-in-aid	746,679	477,264	(269,415)
Federal sources:			
Restricted grants-in-aid	364,211	31,923	(332,288)
Total revenues	<u>23,906,344</u>	<u>24,816,789</u>	<u>910,445</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular education programs	11,528,751	10,549,808	978,943
Special education programs	4,294,377	3,974,416	319,961
Other education programs	879,154	802,625	76,529
Support services:			
Pupil support services	1,082,026	1,064,651	17,375
Instructional staff services	1,019,150	1,282,446	(263,296)
General administration services	994,190	1,099,163	(104,973)
School administration services	2,068,700	2,065,446	3,254
Business and central services	444,335	494,287	(49,952)
Plant operation and maintenance	3,729,275	3,571,890	157,385
Transportation	2,494,274	2,367,563	126,711
Central services	104,553	107,233	(2,680)

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****GENERAL FUND****BUDGETARY COMPARISON SCHEDULE****FOR THE YEAR ENDED JUNE 30, 2005**

	<u>Original & Final</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
Expenditures (continued):			
Non-instructional services:			
Food service	\$ 288,200	\$ 266,380	\$ 21,820
Community service programs	7,635	8,363	(728)
Capital outlay	-	-	-
Total expenditures	<u>28,934,620</u>	<u>27,654,271</u>	<u>1,280,349</u>
Deficiency of revenues over expenditures	<u>(5,028,276)</u>	<u>(2,837,482)</u>	<u>2,190,794</u>
Other financing sources (uses):			
Operating transfers out	(481,981)	(366,065)	115,916
Operating transfers in	3,722,060	4,123,813	401,753
Total other financing sources	<u>3,240,079</u>	<u>3,757,748</u>	<u>517,669</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(1,788,197)</u>	<u>920,266</u>	<u>2,708,463</u>
Fund balances at beginning of year	<u>7,575,723</u>	<u>7,575,723</u>	<u>-</u>
Fund balances at end of year	<u>\$ 5,787,526</u>	<u>\$ 8,495,989</u>	<u>\$ 2,708,463</u>

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NON-MAJOR FUND DESCRIPTIONS
June 30, 2005

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

IMPROVING AMERICA'S SCHOOLS ACT (IASA) FUNDS

Title II of the IASA is a federally funded program to provide financial assistance to improve the skills of teachers and instruction in mathematics, science, computer learning, and foreign languages; and increase the access of all students to this instruction.

Title IV of the IASA is a program that provides project grants to school systems to assist in developing programs of drug abuse education and prevention that are coordinated with related community efforts and resources. The program is federally financed and state-administered.

Title V of the IASA is federally funded grant to allow local school systems to develop a comprehensive district wide school improvement and reform plans to improve teaching and learning for all children.

Title VI (REAP) of the IASA is a program by which the federal government provides funds for purposes which the school board may designate with approval of the Louisiana Department of Education. The Iberville Parish School Board used Chapter funds to purchase library and reference materials in fiscal 1993.

VOCATIONAL EDUCATION FUND

Vocational Education is a federally funded program restricted to expenditures for salaries, supplies, and equipment to be used in vocational education programs. It consists of funds derived from the Carl D. Perkins Funds as well as Gateway funds.

SPECIAL EDUCATION FUND

The IDEA (Individuals with Disabilities Education Act) Fund accounts for two federally financed programs which provide free education in the least restricted environment to children with exceptionalities.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NON-MAJOR FUND DESCRIPTIONS
June 30, 2005

ADULT EDUCATION FUND

Adult Education is both federally and state funded, and offers education opportunities to persons age 16 or older, who are no longer enrolled in school and who generally wish to pursue a Graduation Equivalency Degree (GED) high school diploma.

CLASS SIZE REDUCTION FUND

Class Size Reduction is a federally funded program to reduce class sizes, particularly in the early grades, using highly qualified teachers to improve educational achievement for regular and special needs children.

ENHANCING EDUCATION THROUGH TECHNOLOGY (E2T2) GRANT FUND

The E2T2 Fund is a federally funded program to develop and implement systematic technology plans to improve teaching and learning of all children.

PROJECT IMPACT

This federally funded program allows school facilities and resources to be used after school hours for the enrichment and basic learning development of both adults and school age children.

STARTING POINTS

The Starting Points Fund is a federally funded program designed to acclimate at-risk four year olds to an early educational setting so that they may be better prepared for Kindergarten.

SALES TAX BENEFIT

The Sales Tax Benefits Fund accounts for the proceeds and expenditure of monies collected from the one-third of one percent (1/3%) sales and use tax approved by voters on October 20, 2001. Proceeds of this tax are dedicated to employee health benefits.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NON-MAJOR FUND DESCRIPTIONS
June 30, 2005

OTHER STATE FUNDS

Other state funds consists of certain smaller programs funded through the state's 8(g) funds, which are state grants approved by the State Board of Elementary and Secondary Education and which are to be used for local initiatives.

ALTERNATIVE SCHOOL

The Alternative School Fund was created when the voters of Iberville Parish approved the levy of a two mill ad valorem tax for this purpose on July 20, 1996. The school which opened in August 1997 is intended to address the needs of students who: 1) have been expelled from school for disciplinary reason; and 2) those students who have fallen two or more years behind grade level from their peers.

SALES TAX SALARIES

The Sales Tax Salaries Fund accounts for 66.67% of the proceeds of the 2/3 of one per cent sales and use tax approved by parish voters on July 13, 1991. The fund is dedicated to salaries, related employee benefits, and school bus operations.

SCHOOL LUNCH FUND

School Lunch is a program that provides nourishing meals to students in all grades. This program is supplemented by both federal and state funds that are based on reimbursement and participation.

READING FIRST

This federally funded program is part of NCLB (No Child Left Behind) Act of 2001. The purpose of this grant is to ensure that all children in America learn to read by the end of the third grade.

SCHOOL RENOVATION

School Renovation is a federally funded program to target high poverty and rural schools with one-time federal funds to states for competitively-awarded grants to LEA's for technology in conjunction with school repairs or activities under Part B of IDEA.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NON-MAJOR FUND DESCRIPTIONS
June 30, 2005

JAG

JAG is a program to provide students who are at risk of failing in school an avenue for achieving academically, for ultimately earning recognized credentials that will make it possible for them to exit school and enter post-secondary education and/or the workforce and to recover those students who have already exited the school setting without a standard diploma, GED or skills training.

AGENCY FUND

The Agency Fund accounts for assets held in a fiduciary capacity by the school board.

SCHOOL ACTIVITY AGENCY FUND

The School Activity Agency Fund accounts for monies generated by the individual schools and school organizations within the parish. While these accounts are under the supervision of the school board, they belong to the individual schools or their student bodies and are not available for use by the school board.

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS -**
COMBINING BALANCE SHEET**JUNE 30, 2005**

	Salary Benefit	Alternative School Fund	Title IV	Other State
<u>Assets</u>				
Cash and cash equivalents	\$ 237,126	\$ 400,980	\$ 63	\$ 13,077
Receivables	225,469	1,406	35,438	197,033
Due from other funds	-	-	-	171,652
Inventory	-	-	-	-
Total assets	\$ 462,595	\$ 402,386	\$ 35,501	\$ 381,762

Liabilities and fund equity**Liabilities:**

Salaries payable, payroll deductions and withholdings payable	\$ -	\$ 57,275	\$ -	\$ 100,501
Accounts payable	-	1,352	649	183,687
Due to other funds	462,595	-	34,852	97,574
Total liabilities	462,595	58,627	35,501	381,762

Fund equity:

Fund balance	-	343,759	-	-
Total liabilities and fund equity	\$ 462,595	\$ 402,386	\$ 35,501	\$ 381,762

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS -****COMBINING BALANCE SHEET****JUNE 30, 2005**

	E2T2	JAG	Title V	School Renovation
<u>Assets</u>				
Cash and cash equivalents	\$ 4,729	\$ 8,175	\$ 219	\$ -
Receivables	152,121	-	2,000	116,006
Due from other funds	-	-	-	-
Inventory	-	-	-	-
Total assets	\$ 156,850	\$ 8,175	\$ 2,219	\$ 116,006
<u>Liabilities and fund equity</u>				
<u>Liabilities:</u>				
Salaries payable, payroll deductions and withholdings payable	\$ 338	\$ -	\$ -	\$ -
Accounts payable	7,584	8,175	532	114,246
Due to other funds	148,928	-	1,687	1,760
Total liabilities	156,850	8,175	2,219	116,006
<u>Fund equity:</u>				
Fund balance	-	-	-	-
Total liabilities and fund equity	\$ 156,850	\$ 8,175	\$ 2,219	\$ 116,006

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS -****COMBINING BALANCE SHEET****JUNE 30, 2005**

	Title II	Reading First	Starting Points	Class Size Reduction
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables	276,638	553,365	-	-
Due from other funds	-	-	84,790	-
Inventory	-	-	-	-
Total assets	<u>\$ 276,638</u>	<u>\$ 553,365</u>	<u>\$ 84,790</u>	<u>\$ -</u>
<u>Liabilities and fund equity</u>				
<u>Liabilities:</u>				
Salaries payable, payroll deductions and withholdings payable	\$ 71,092	\$ 98,857	\$ 26,730	\$ -
Accounts payable	15,655	87,881	44,340	-
Due to other funds	189,891	366,627	13,720	-
Total liabilities	<u>276,638</u>	<u>553,365</u>	<u>84,790</u>	<u>-</u>
<u>Fund equity:</u>				
Fund balance	-	-	-	-
Total liabilities and fund equity	<u>\$ 276,638</u>	<u>\$ 553,365</u>	<u>\$ 84,790</u>	<u>\$ -</u>

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS -**
COMBINING BALANCE SHEET**JUNE 30, 2005**

	Vocational Education	IDEA	Adult Education	Title III
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ 1,816	\$ 625	\$ -
Receivables	84,403	335,909	7,565	611
Due from other funds	-	131,955	-	-
Inventory	-	-	-	-
Total assets	\$ 84,403	\$ 469,680	\$ 8,190	\$ 611
<u>Liabilities and fund equity</u>				
Liabilities:				
Salaries payable, payroll deductions and withholdings payable	\$ -	\$ 45,204	\$ 422	\$ -
Accounts payable	17,219	31,898	-	-
Due to other funds	67,184	392,578	7,768	611
Total liabilities	84,403	469,680	8,190	611
Fund equity:				
Fund balance	-	-	-	-
Total liabilities and fund equity	\$ 84,403	\$ 469,680	\$ 8,190	\$ 611

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS -****COMBINING BALANCE SHEET****JUNE 30, 2005**

	Project Impact	REAP	School Lunch	Sales Tax Benefit	Total
<u>Assets</u>					
Cash and cash equivalents	\$ -	\$ 1,370	\$ 1,885,369	\$ 50,573	\$ 2,604,122
Receivables	441,925	45,019	48,142	146,414	2,669,464
Due from other funds	77,803	-	213,671	-	679,871
Inventory	-	-	28,743	-	28,743
Total assets	\$ 519,728	\$ 46,389	\$ 2,175,925	\$ 196,987	\$ 5,982,200

Liabilities and fund equity**Liabilities:**

Salaries payable, payroll deductions and withholdings payable	\$ 86,518	\$ 22,023	\$ 119,406	\$ -	\$ 628,366
Accounts payable	60,201	3,040	28,397	-	604,856
Due to other funds	373,009	21,326	236,729	153,263	2,570,102
Total liabilities	519,728	46,389	384,532	153,263	3,803,324

Fund equity:

Fund balance	-	-	1,791,393	43,724	2,178,876
Total liabilities and fund equity	\$ 519,728	\$ 46,389	\$ 2,175,925	\$ 196,987	\$ 5,982,200

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS****COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**
FOR THE YEAR ENDED JUNE 30, 2005

	Salary Benefit	Alternative School Fund	Title IV	Other State
<u>Revenues</u>				
Local sources:				
Taxes - ad valorem	\$ -	\$ 604,447	\$ -	\$ -
Taxes - sales	2,490,852	-	-	-
Food sales	-	-	-	-
Earnings on investments	1,877	1,463	-	-
Other	-	-	-	-
State sources:				
Unrestricted grants-in-aid	-	-	-	-
Restricted grants-in-aid	-	-	-	544,489
Federal sources:				
Restricted grants-in-aid - subgrants	-	-	53,586	-
Commodities - United States				
Department of Agriculture	-	-	-	-
Total revenues	<u>2,492,729</u>	<u>605,910</u>	<u>53,586</u>	<u>544,489</u>
<u>Expenditures</u>				
Instruction:				
Regular education programs	-	15,146	-	258,597
Special education programs	-	33,342	-	14,701
Other education programs	-	257,549	-	70,183
Support services:				
Pupil support services	-	45,410	52,535	123,012
Instructional staff services	-	1,412	-	74,995
General administration	4	20,228	-	-
School administration	-	128,223	-	-
Business and central services	-	-	-	-
Plant operation and maintenance	-	73,875	-	-
Transportation	-	-	-	-
Central services	-	-	-	-
Community service	-	-	-	-
Non-instructional services:				
School food service	-	-	-	-
Total expenditures	<u>4</u>	<u>575,185</u>	<u>52,535</u>	<u>541,488</u>
Excess (deficiency) of revenues over expenditures	<u>2,492,725</u>	<u>30,725</u>	<u>1,051</u>	<u>3,001</u>
Other financing sources (uses)				
Operating transfers out	(2,492,725)	-	(1,051)	(3,001)
Operating transfers in	-	-	-	-
Total other sources (uses)	<u>(2,492,725)</u>	<u>-</u>	<u>(1,051)</u>	<u>(3,001)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	30,725	-	-
Fund balances at beginning of year	-	313,034	-	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ 343,759</u>	<u>\$ -</u>	<u>\$ -</u>

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS****COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**
FOR THE YEAR ENDED JUNE 30, 2005

	<u>E2T2</u>	<u>JAG</u>	<u>Title V</u>	<u>School Renovation</u>
<u>Revenues</u>				
Local sources:				
Taxes - ad valorem	\$ -	\$ -	\$ -	\$ -
Taxes - sales	-	-	-	-
Food sales	-	-	-	-
Earnings on investments	-	-	-	-
Other	-	-	-	-
State sources:				
Unrestricted grants-in-aid	-	-	-	-
Restricted grants-in-aid	-	-	-	-
Federal sources:				
Restricted grants-in-aid - subgrants	366,284	16,563	25,994	139,822
Commodities - United States Department of Agriculture	-	-	-	-
Total revenues	<u>366,284</u>	<u>16,563</u>	<u>25,994</u>	<u>139,822</u>
<u>Expenditures</u>				
Instruction:				
Regular education programs	-	16,563	-	-
Special education programs	-	-	-	-
Other education programs	-	-	-	-
Support services:				
Pupil support services	287,242	-	-	-
Instructional staff services	54,260	-	24,377	-
General administration	-	-	-	-
School administration	-	-	-	-
Business and central services	-	-	-	-
Plant operation and maintenance	-	-	-	138,220
Transportation	-	-	-	-
Central services	-	-	-	-
Community service	-	-	-	-
Non-instructional services:				
School food service	-	-	-	-
Total expenditures	<u>341,502</u>	<u>16,563</u>	<u>24,377</u>	<u>138,220</u>
Excess (deficiency) of revenues over expenditures	<u>24,782</u>	<u>-</u>	<u>1,617</u>	<u>1,602</u>
Other financing sources (uses)				
Operating transfers out	(24,782)	-	(1,617)	(1,602)
Operating transfers in	-	-	-	-
Total other sources (uses)	<u>(24,782)</u>	<u>-</u>	<u>(1,617)</u>	<u>(1,602)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS****COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**
FOR THE YEAR ENDED JUNE 30, 2005

	Title II	Reading First	Starting Points	Class Size Reduction
<u>Revenues</u>				
Local sources:				
Taxes - ad valorem	\$ -	\$ -	\$ -	\$ -
Taxes - sales	-	-	-	-
Food sales	-	-	-	-
Earnings on investments	-	-	-	-
Other	-	-	-	-
State sources:				
Unrestricted grants-in-aid	-	-	-	-
Restricted grants-in-aid	-	-	-	-
Federal sources:				
Restricted grants-in-aid - subgrants	593,916	2,049,336	292,495	20,830
Commodities - United States Department of Agriculture	-	-	-	-
Total revenues	<u>593,916</u>	<u>2,049,336</u>	<u>292,495</u>	<u>20,830</u>
<u>Expenditures</u>				
Instruction:				
Regular education programs	160,510	-	-	-
Special education programs	-	-	-	-
Other education programs	-	1,966,325	287,825	-
Support services:				
Pupil support services	-	-	-	-
Instructional staff services	386,543	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Business and central services	-	-	-	-
Plant operation and maintenance	-	-	-	-
Transportation	-	-	-	-
Central services	-	-	-	-
Community service	-	-	-	-
Non-instructional services:				
School food service	-	-	-	-
Total expenditures	<u>547,053</u>	<u>1,966,325</u>	<u>287,825</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>46,863</u>	<u>83,011</u>	<u>4,670</u>	<u>20,830</u>
Other financing sources (uses)				
Operating transfers out	(46,863)	(83,011)	(4,670)	(20,830)
Operating transfers in	-	-	-	-
Total other sources (uses)	<u>(46,863)</u>	<u>(83,011)</u>	<u>(4,670)</u>	<u>(20,830)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS****COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES****FOR THE YEAR ENDED JUNE 30, 2005**

	<u>Vocational Education</u>	<u>IDEA</u>	<u>Adult Education</u>	<u>Title III</u>
<u>Revenues</u>				
Local sources:				
Taxes - ad valorem	\$ -	\$ -	\$ -	\$ -
Taxes - sales	-	-	-	-
Food sales	-	-	-	-
Earnings on investments	-	-	-	-
Other	-	-	-	-
State sources:				
Unrestricted grants-in-aid	-	-	-	-
Restricted grants-in-aid	-	-	-	-
Federal sources:				
Restricted grants-in-aid - subgrants	86,162	1,040,239	40,537	611
Commodities - United States Department of Agriculture	-	-	-	-
Total revenues	<u>86,162</u>	<u>1,040,239</u>	<u>40,537</u>	<u>611</u>
<u>Expenditures</u>				
Instruction:				
Regular education programs	-	-	-	-
Special education programs	82,674	582,670	-	-
Other education programs	-	-	39,178	611
Support services:				
Pupil support services	-	-	-	-
Instructional staff services	3,488	365,684	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Business and central services	-	-	-	-
Plant operation and maintenance	-	-	-	-
Transportation	-	-	-	-
Central services	-	-	-	-
Community service	-	-	-	-
Non-instructional services:				
School food service	-	-	-	-
Total expenditures	<u>86,162</u>	<u>948,354</u>	<u>39,178</u>	<u>611</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>91,885</u>	<u>1,359</u>	<u>-</u>
Other financing sources (uses)				
Operating transfers out	-	(218,774)	(1,359)	-
Operating transfers in	-	126,889	-	-
Total other sources (uses)	<u>-</u>	<u>(91,885)</u>	<u>(1,359)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS****COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**
FOR THE YEAR ENDED JUNE 30, 2005

	Project Impact	REAP	School Lunch	Sales Tax Benefit	Total
<u>Revenues</u>					
Local sources:					
Taxes - ad valorem	\$ -	\$ -	\$ -	\$ -	\$ 604,447
Taxes - sales	-	-	-	1,721,223	4,212,075
Food sales	-	-	196,075	-	196,075
Earnings on investments	-	-	3,527	375	7,242
Other	295	-	14,238	-	14,533
State sources:					
Unrestricted grants-in-aid	-	-	382,680	-	382,680
Restricted grants-in-aid	-	-	-	-	544,489
Federal sources:					
Restricted grants-in-aid - subgrants	660,748	92,461	1,718,809	-	7,198,393
Commodities - United States Department of Agriculture	-	-	126,508	-	126,508
Total revenues	<u>661,043</u>	<u>92,461</u>	<u>2,441,837</u>	<u>1,721,598</u>	<u>13,286,442</u>
<u>Expenditures</u>					
Instruction:					
Regular education programs	-	-	-	753,922	1,204,738
Special education programs	-	-	-	129,029	842,416
Other education programs	-	-	-	85,318	2,706,989
Support services:					
Pupil support services	639,621	87,539	-	45,483	1,280,842
Instructional staff services	-	-	-	49,941	960,700
General administration	-	-	5	23,213	43,450
School administration	-	-	-	122,541	250,764
Business and central services	-	-	-	18,397	18,397
Plant operation and maintenance	-	-	2	143,489	355,586
Transportation	-	-	-	197,548	197,548
Central services	-	-	-	3,143	3,143
Community service	-	-	-	3,593	3,593
Non-instructional services:					
School food service	-	-	2,204,835	132,246	2,337,081
Total expenditures	<u>639,621</u>	<u>87,539</u>	<u>2,204,842</u>	<u>1,707,863</u>	<u>10,205,247</u>
Excess (deficiency) of revenues over expenditures	<u>21,422</u>	<u>4,922</u>	<u>236,995</u>	<u>13,735</u>	<u>3,081,195</u>
Other financing sources (uses)					
Operating transfers out	(21,422)	(4,922)	(186,021)	-	(3,112,650)
Operating transfers in	-	-	204,564	50,000	381,453
Total other sources (uses)	<u>(21,422)</u>	<u>(4,922)</u>	<u>18,543</u>	<u>50,000</u>	<u>(2,731,197)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	255,538	63,735	349,998
Fund balances at beginning of year	-	-	1,535,855	(20,011)	1,828,878
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,791,393</u>	<u>\$ 43,724</u>	<u>\$ 2,178,876</u>

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

SCHEDULE OF BOARD MEMBERS' COMPENSATION

FOR THE YEAR ENDED JUNE 30, 2005

Barbee, Michael C.	\$ 9,850
Broussard, Nancy	9,600
Daigle, David	9,850
Delahaye, Thomas	9,890
Distefano, Paul	9,650
Edwards, Thomas J.	9,950
Hasten, Albertha	9,600
Kelley, Glynna M.	9,650
Lodge, Melvin	10,682
Martinez, Louis J.	9,600
Molden III, Freddie	9,600
Ourso, Darlene	9,600
Sansoni, Dorothy	10,000
Trusclair, Carson	9,600
Willis, Brian	9,850
Total	<u>\$ 146,972</u>

IBERVILLE PARISH SCHOOL BOARD

REPORTS ON COMPLIANCE AND INTERNAL CONTROL

JUNE 30, 2005

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date _____



Postlethwaite & Netterville

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IBERVILLE PARISH SCHOOL BOARD

REPORTS ON COMPLIANCE AND INTERNAL CONTROL

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Iberville Parish School Board

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Iberville Parish School Board as of and for the year ended June 30, 2005, which collectively comprise the Iberville Parish School Board's basic financial statements and have issued our report thereon dated October 10, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Iberville Parish School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Iberville Parish School Board's ability to initiate, record, process, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as item 05-4, 05-5, and 05-6.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider item 05-5 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Iberville Parish School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing*

Standards which are described in the accompanying schedule of findings and questioned costs as items 05-1, 05-2, and 05-3.

We also noted certain additional matters that we reported to management of Iberville Parish School Board, in a separate letter dated October 10, 2006.

This report is intended solely for the information and use of the Iberville Parish School Board, management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Pentlithwaite & Nettinville
October 10, 2006



Postlethwaite & Netterville

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR 1-133

To the Iberville Parish School Board

Compliance

We have audited the compliance of the Iberville Parish School Board with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2005. Iberville Parish School Board's major federal programs are identified in the summary of auditor's result section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Iberville Parish School Board's management. Our responsibility is to express an opinion on Iberville Parish School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Iberville Parish School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Iberville Parish School Board's compliance with those requirements.

In our opinion, Iberville Parish School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 05-07 and 05-10.

Internal Control Over Compliance

The management of Iberville Parish School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Iberville Parish School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the aggregate remaining fund information of Iberville Parish School Board as of and for the year ended June 30, 2005, and have issued our report thereon dated October 10, 2006. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Iberville parish School Board, management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Parthivsinh & Nettreddy

October 10, 2006

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**
FOR THE YEAR ENDED JUNE 30, 2005

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-through Number</u>	<u>Federal Expenditures</u>
UNITED STATES DEPARTMENT OF AGRICULTURE			
Food Distribution/Cash in Lieu of Commodities	10.550	None	\$ 103,966
Passed through Louisiana Department of Agriculture and Forestry - Food Distribution	10.550	None	22,542
Passed through Louisiana Department of Education:			
National School Breakfast Program	10.553	None	475,316
National School Lunch Program	10.555	None	1,187,312
Summer Food Service Program for Children	10.559	None	56,181
			<u>1,845,317</u>
UNITED STATES DEPARTMENT OF DEFENSE			
Reserve Officer Training Corp (ROTC)	None	None	<u>31,923</u>
UNITED STATES DEPARTMENT OF EDUCATION			
Direct Program:			
Project Impact	84.287A	S287A010497-03	363,893
Project Impact	84.287C	28-05-CC-24	296,855
Passed through Louisiana Department of Education:			
Adult Education	84.002A	28-05-44-24	22,266
Adult Education - Supplemental	84.002A	28-05-21-24	15,424
Adult Education Carryover	84.002A	0444-24	2,847
Class Size Reduction Program	84.340A	03-01-24	20,830
E2T2 - FIRSTTech	84.318X	280503-24	142,071
E2T2 - Enhancing Education Through Technology	84.318X	28-05-49 24	56,636
E2T2 - Enhancing Education Through Technology C/O	84.318X	280449-24	1,353
E2T2 - SCHOOLTech	84.318X	280546-24	148,575
E2T2 - School Technology Carryover	84.318X	0446-24	13,681
E2T2 - Technology Literacy Challenge	84.318X	0349-24	3,968
IDEA - Part B	84.027A	28-05-B1-24	354,355
IDEA - Part B	84.027A	28-04-B1-24C	153,960
IDEA - Part B Carryover	84.027A	28-04-B1-24	415,913
IDEA - Preschool	84.173A	28-05-P1-24	10,621
IDEA - Preschool Carryover	84.173A	28-04-P1-24	18,133
IDEA - Statewide Student Support	84.027A	04-B3-24	51,662
Pre-GED Skills Option	84.027A	0803BG24	35,595
Reading First	85.357A	28-05-RF-24	1,499,192
Reading First Carryover	85.357A	28-03-RF-24	550,144

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2005

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-through Number</u>	<u>Federal Expenditures</u>
UNITED STATES DEPARTMENT OF EDUCATION (continued)			
Passed through Louisiana Department of Education:			
REAP-Rural Education Achievement Program	84.358B	04-RE-24	42,502
REAP-Rural Education Achievement Program C/O	84.358B	04-RE-24 C	49,959
School Renovations	84.352A	03-SG-24	139,822
Starting Points	93.558	None	292,495
TANF - JAG	93.558	None	16,563
Title I	84.010A	28-05-T1-247	1,579,604
Title I - Homeless	84.196A	28-05-H1-24	69,136
Title I Carryover	84.010	04-T1-24	300,464
Title II	84.367A	28-05-50-24	249,713
Title II - Math Science Partnership	84.366B	2804MP-24	171,155
Title II Carryover	84.367A	04-50-24	173,048
Title III - Student Influx	84.365A	28-04-S3-24-C	611
Title IV - Drug-Free School and Communities	84.186A	28-05-70-24	50,367
Title IV - Drug-Free School and Communities Carryover	84.186A	04-70-24	3,219
Title V - Innovative Education Program Strategies	84.298A	28-05-80 24	22,617
Title V - Innovative Education Program Strategies C/O	84.298A	04-80-24	3,377
Vocational Education and High Schools That Work	84.048	28-05-02-24	84,403
Vocational Education Carryover	84.048	28-04-02-24-C	1,759
			<u>7,428,788</u>
Total			<u><u>9,306,028</u></u>

IBERVILLE PARISH SCHOOL BOARD
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2005

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Iberville Parish School Board and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B – FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 2005, the organization had food commodities totaling \$18,978 in inventory.

NOTE C - RELATIONSHIP TO FINANCIAL STATEMENTS

The expenditures are recognized as follows:

General Fund	\$ 31,923
Other Governmental	9,274,105
	<hr/> \$ 9,306,028 <hr/>

IBERVILLE PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2005

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of Iberville Parish School Board.
2. Reportable conditions relating to the audit of the financial statements are reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. Audit findings relative to instances of noncompliance with State Laws and Regulations in the financial statements of Iberville Parish School Board are reported in Part B of this Schedule.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for Iberville Parish School Board expresses an unqualified opinion.
6. Audit findings relative to the major federal award programs for Iberville Parish School Board are reported in Part C of this Schedule.
7. The programs tested as major programs include: Reading First CFDA No. 85.357A, Enhancing Education Through Technology CFDA No. 84.318X, and Project Impact CFDA No. 84.287A and 84.287C.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Iberville Parish School Board was determined to be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

COMPLIANCE WITH STATE LAWS AND REGULATIONS

05-1 Financial Statements

Criteria: LSA-RS24:513 (5)(a) requires the engagement to be completed within six months of the close of the entity's fiscal year.

Condition: The School Board did not submit financial statements within six months of the close of the entity's fiscal year as a result of not completing trial balances and audit information in a timely manner.

Effect: The School Board's financial statements were not submitted timely.

Recommendation: The School Board should prepare trial balances and audit information in a timely manner.

Response: We concur with this finding and are currently working to hire a Chief Financial Officer/Business Manager who will work diligently, along with our current accounting staff, to ensure that the audit information and corresponding financial statements are prepared timely.

05-2 Security for Deposits

Criteria: Louisiana Revised Statute 39:1225 requires that security for deposits of the governmental body shall at all times equal or exceed the outstanding balance of such deposits.

Condition: Deposits in the amount of \$100,810 were unsecured as of June 30, 2005.

Effect: The unsecured deposit balance is a violation of LRS 39:1225.

Recommendation: The School Board should ensure that deposits are fully collateralized at all times.

Response: We concur with this finding and will ensure that deposits are fully collateralized at all times.

05-3 Louisiana Budget Law

Criteria: Louisiana Revised Statute 39:1305 requires that a budget shall be adopted for the general fund and each special revenue fund.

Condition: The School Board did not adopt budgets for eight of its special revenue funds.

Effect: The failure to adopt budgets for these special revenue funds is a violation of Louisiana Revised Statute 39:1305.

Recommendation: The school board shall adopt budgets for each special revenue fund each year.

Response: We concur with the finding and all budgets will be adopted each year as required by law.

INTERNAL CONTROL

05-4 Purchases Under State Contract

Criteria: The School Board should bid purchases in excess of \$20,000 unless it is being purchased under state contract.

Condition: The School Board makes purchases under state contract, but School Board personnel does not verify that the purchase prices from the vendors are the actual prices listed under the state contract.

Effect: The failure to verify state contract information for these purchases results in not knowing if the School Board paid state contract price.

Recommendation: The school board shall verify and document verification of all purchases under state contract.

Response: In the future, vendors will be verified with the Office of State Purchasing as state contract approved prior to purchases being made. In addition, the purchase price supplied by the state contract vendor will be verified to be certain we are paying the state contract price.

05-5 Timely Financial Data

Criteria: Financial data should be submitted to the board members on a timely basis in order for the board to be properly informed on financial matters.

Condition: The School Board did not prepare financial statements in a timely manner to submit to the board.

Effect: The failure to submit timely financial data to the board members does not allow the board to have appropriate information to make sound decisions regarding the School Board as a whole.

Recommendation: The school board shall submit timely financial data to school board members.

Response: We concur with the findings and will ensure that timely and accurate financial data is presented to the Board Members quarterly.

05-6 Reimbursement Requests

Criteria: Reimbursement Requests should be submitted for expenditures listed on the general ledger reports.

Condition: The School Board did not use general ledger reports to prepare reimbursement requests.

Effect: The failure to use general ledger reports to prepare reimbursement requests can result in fund not being reimbursed for all qualified expenditures for the period of availability.

Recommendation: The school board shall use general ledger reports in preparing reimbursement requests.

Response: We concur with the findings and will ensure that general ledger reports are used when making reimbursement requests.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

DEPARTMENT OF EDUCATION

Reading First – CFDA No. 85.357A

Enhancing Education Through Technology – CFDA No. 84.318X

Project Impact – CFDA No. 84.287A and 84.287C

- 05-7** *Criteria:* Circular A-87 requires charges to salaries for employees who work solely on a single Federal award or cost objective to be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.

Condition: Certifications for one employee in the Reading First program was not obtained.

Effect: These salaries could be considered unallowable by the US Department of Education.

Auditor's Recommendation: The School Board should obtain signed semi-annual certifications on employees who work solely on a single Federal award or cost objective program.

Grantee Response: The Iberville Parish School Board will obtain signed semi-annual certifications on all employees who work solely on single Federal grant award or cost objective programs.

- 05-8** *Criteria:* Circular A-102 requires that a physical inventory of equipment be taken at least once every two years. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference.

Condition: A physical inventory of equipment was not taken during the past two years.

Effect: Without conducting a physical inventory, the School board is unaware of missing equipment.

Auditor's Recommendation: The School Board should conduct a physical inventory of equipment at least once every two years and reconcile the results to the equipment records.

Grantee Response: The School Board has begun tracking fixed assets in-house on a computerized system. The School Board will conduct a physical inventory of equipment at least once every two years and reconcile the results to our equipment records.

- 05-9** *Criteria:* Circular A-102 requires that the School Board must verify that a vendor is not suspended or debarred from doing business for any vendor where purchases exceed \$25,000.

Condition: Verification for suspension and debarment for three vendors was not obtained before purchases were made in the Project Impact program.

Effect: These purchases could be considered unallowable by the US Department of Education.

Auditor's Recommendation: The School Board should verify that a vendor is not suspended or debarred from doing business on all vendors whose purchases exceed \$25,000. This verification can be performed by using the Excluded Parties List System maintained by the General Services Administration. The School Board should keep a copy of this verification for their records.

Grantee Response: The School Board will verify that a vendor is not suspended or debarred from doing business on all vendors whose purchases exceed \$25,000. The verification process will be performed by using the Excluded Parties List System as maintained by the General Services Administration and a copy of the verification will be kept on file.

- 05-10** *Criteria:* Circular A-87 requires that the School Board only request reimbursement for costs that are considered allowable by the specific federal program.

Condition: Within Project Impact, one item was budgeted as part of supplies that does not meet description of supplies in the approved budget.

Effect: These purchases could be considered unallowable by Project Impact.

Auditor's Recommendation: The School Board should only spend federal funds on allowable costs.

Grantee Response: The School Board will only request reimbursement for costs that are considered allowable by the specific federal program.

IBERVILLE PARISH SCHOOL BOARD
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2005

A. FINDINGS – FINANCIAL STATEMENTS AUDIT

COMPLIANCE WITH STATE LAWS AND REGULATIONS

04-1 Security for Deposits

Condition: Deposits in the amount of \$40,000 were unsecured as of June 30, 2004.

Current Status: Similar finding in current year.

04-2 Louisiana Budget Law

Condition: The School Board did not adopt budgets for seventeen of its special revenue funds.

Current Status: Similar finding in current year.

04-3 Louisiana Budget Law

Condition: The Sales Tax Benefit Fund had actual excess expenditures of 9% over the budgeted amount of total expenditures.

Current Status: There were no similar findings in the current year.

**B. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS
AUDIT**

DEPARTMENT OF EDUCATION

Title I – CFDA No. 84.010, 84.010A, and 84.196A

IDEA – CFDA No. 84.027A and 84.173A

04-04 *Condition:* Certifications for employees were not obtained.

Current Status: Similar finding in current year.

04-05 *Condition:* A physical inventory of equipment was not taken during the past two years.

Current Status: Similar finding in current year.

IBERVILLE PARISH SCHOOL SYSTEM
PERFORMANCE AND STATISTICAL DATA



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**Independent Accountant's Report
On Applying Agreed-Upon Procedures**

To the Members of the
Iberville Parish School Board

Page 1 of 4

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Iberville Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Iberville Parish School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule A)

Procedure #1:

We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

- Total General Fund Instructional Expenditures,
- Total General Fund Equipment Expenditures,
- Total Local Taxation Revenue,
- Total Local Earnings on Investment in Real Property,
- Total State Revenue in Lieu of Taxes,
- Nonpublic Textbook Revenue, and
- Nonpublic Transportation Revenue.

Results of procedure # 1:

In performing the testing on the sample of expenditures/revenues, we noted no transactions that were inappropriately classified or were recorded at an inappropriate amount.

Education Levels of Public School Staff (Schedule B)

Procedure # 2

We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule D) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st.

Results of Procedure # 2:

No differences were noted between the number of full-time classroom teachers per schedule 4 and schedule 2, or between the schedules and the Oct. 1 payroll records.

Procedure # 3

We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule D) to the combined total of principals and assistant principals per this schedule.

Results of procedure # 3

No differences were noted between the number of principals and assistant principals per schedule D and schedule B, or between the schedules and the Oct. 1 payroll records.

Procedure # 4

We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determine if the individual's education level was properly classified on the schedule.

Results of Procedure # 4:

In our sample of 25 employees, no discrepancies existed between the aforementioned listing and the schedule.

Number and Type of Public Schools (Schedule C)

Procedure # 5

We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the National School Lunch Program (CFDA 10.555) application.

Results of Procedure # 5:

We noted no discrepancies between the schools as listed in the National School Lunch Program application and the list supporting the schools represented in the schedule.

Experience of Public Principals and Full-time Classroom Teachers (Schedule D)

Procedure #6

We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

Results of Procedure # 6:

In our sample of 25 employees, no discrepancies existed between the aforementioned listing and the schedule.

Public Staff Data (Schedule E)

Procedure # 7

We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.

Results of procedure # 7:

In our sample of 25, we noted reasonableness between the level of compensation that would be appropriate for the education and experience level per the district wide salary schedule and the amount actually paid per the aforementioned listing. Note that reasonableness is considered because the actual pay that was used in the computation of the average and the annual salary the salary schedule may be different due to docs in pay or other factors.

Procedure # 8

We recalculated the average salaries and full-time equivalents reported in the schedule.

Results of procedure # 8:

We noted no differences in the averages reported on the schedule and our calculations.

Class Size Characteristics (Schedule F)

Procedure # 9

We obtained a list of teachers and the classes that they teach with the class size and reconciled that list to the total classes for each class size category as reported on the schedule. We then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

Results of Procedure # 9

We were unable to test the accuracy of this schedule due to the liability of the client to produce reports by specific dated needed in order to test schedule.

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule G)

Procedure # 10

We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Iberville Parish School Board.

Results of Procedure # 10:

No differences were noted.

The Graduation Exit Exam for the 21st Century (Schedule H)

Procedure # 11

We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Iberville Parish School Board.

Results of Procedure #11

No differences were noted.

The Iowa Tests (Schedule I)

Procedure # 12

We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Iberville Parish School Board.

Results of Procedure # 12

No differences were noted.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Iberville Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Pratt H. Smith & M. J. Smith

October 10, 2006

IBERVILLE PARISH SCHOOL BOARD
BATON ROUGE, LOUISIANA

Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)
As of and for the Year Ended June 30, 2005

Schedule A - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule B - Education Levels of Public School Staff

This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principal's with less than a Bachelor's; Master's; Master's +30; Specialist in Education; and Ph. D or Ed. D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule C - Number and Type of Public Schools

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial Statistical Report (AFSR).

Schedule D - Experience of Public Teachers and Full-time Classroom Teachers

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule E - Public School Staff Data

This schedule includes average classroom teachers salary using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule F - Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the legislature in the Annual School Report (ASR).

Schedule G - Louisiana Educational Assessment Program (LEAP)

This schedule represents student performance testing data and includes summary scores by district for grades 4 and 8 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule H - The Graduation Exit Exam

This schedule represents student performance testing data and includes summary scores by district for grades 10 and 11 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule I - The IOWA Tests

This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, 7 and 9 for each district. The summary score reported is the National Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. This schedule includes three years of data.

Iberville Parish School Board
Plaquemine, Louisiana

Schedule 1

General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2005

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teachers Salaries	\$ 10,664,247	
Other Instructional Staff Salaries:	1,062,912	
Employee Benefits	3,054,333	
Purchased Professional and Technical Services	320,924	
Instructional Materials and Supplies	35,064	
Instructional Equipment	2,100	
Total Teacher and Student Interaction Activities		\$ 15,139,580

Other Instructional Activities 95,240

Pupil Support Activities 1,064,651
Less: Equipment for Pupil Support Activities -
Net Pupil Support Activities 1,064,651

Instructional Staff Services 991,968
Less: Equipment for Instructional Staff Services -
Net Instructional Staff Services 991,968

Total General Fund Instructional Expenditures \$ 17,291,439

Total General Fund Equipment Expenditures \$ 2,100

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ 1,339,316
Renewal Ad Valorem Taxes	6,751,678
Debt Service Ad Valorem Taxes	-
Up to 1% of Collections by Sheriff	265,320
Sales and Use Taxes	5,605,501
Total Local Taxation Revenue	\$ 13,961,815

Local Earnings on Investments in Real Property:

Earnings from 16th Section Property	\$ 1,462
Earnings from Other Real Property	-
Total Local Earnings on Investments in Real Property	\$ 1,462

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$ -
Revenue Sharing - Other Taxes	153,646
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	\$ 153,646

Nonpublic Textbook Revenue \$ 19,695

Nonpublic Transportation Revenue \$ 79,258

**Iberville Parish School Board
Plaquemine, Louisiana**

Schedule 2

**Education Levels of Public School Staff
As of October 1, 2004**

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	0	0.0%	2	3.8%	0	0.0%	0	0.0%
Bachelor's Degree	135	49.5%	37	71.2%	0	0.0%	0	0.0%
Master's Degree	71	26.0%	12	23.1%	5	21.7%	0	0.0%
Master's Degree + 30	54	19.8%	1	1.9%	13	56.5%	0	0.0%
Specialist in Education	12	4.4%	0	0.0%	5	21.7%	0	0.0%
Ph. D. or Ed. D.	1	0.4%	0	0.0%	0	0.0%	0	0.0%
Total	273	100.0%	52	100.0%	23	100.0%	0	0.0%

**Iberville Parish School Board
Plaquemine, Louisiana**

Schedule 3

**Number and Type of Public Schools
For the year ended June 30, 2005**

Type	Number
Elementary	3
Middle/Jr. High	1
Secondary	2
Combination	3

**Iberville Parish School Board
Plaquemine, Louisiana**

Schedule 4

**Experience of Public Principals and Full-time Classroom Teachers
As of October 1, 2004**

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	4	0	0	1	9	14
Principals	0	0	0	0	2	3	4	9
Classroom Teachers	57	22	67	26	29	24	100	325
Total	57	22	71	26	31	28	113	348

**Iberville Parish School Board
Plaquemine, Louisiana**

Schedule 5

**Public School Staff Data
As of October 1, 2004**

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers' Salary Including Extra Compensation	39,214	39,123
Average Classroom Teachers' Salary Excluding Extra Compensation	36,599	36,481
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	320	314

**Iberville Parish School Board
Plaquemine, Louisiana**

Schedule 6

**Class Size Characteristics
As of October 1, 2004**

	1-20		21-26		27-33		34+	
School Type:	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	19.3%	180	28.3%	93	51.5%	53	0.0%	0
Elementary Activity Classes	3.6%	34	6.1%	20	0.0%	0	0.0%	0
Middle/Jr. High	3.4%	32	18.8%	62	10.7%	11	0.0%	0
Middle/Jr. High Activity Classes	0.9%	8	6.4%	21	3.9%	4	0.0%	0
High	11.6%	108	27.7%	91	29.1%	30	0.0%	0
High Activity Classes	16.8%	157	0.9%	3	1.9%	2	0.0%	0
Combination	35.5%	332	7.9%	26	1.9%	2	0.0%	0
Combination Activity Classes	8.9%	83	4.0%	13	1.0%	1	0.0%	0
Total		934		329		103		

Iberville Parish School Board
Plaquemine, Louisiana

Schedule 7

Louisiana Educational Assessment Program (LEAP) for the 21st Century
For the year ended June 30, 2005

District Achievement Level Results	English Language Arts						Mathematics					
	2005		2004		2003		2005		2004		2003	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	4	1.0%	6	1.7%	1	0.3%	3	0.8%	3	0.8%	2	0.5%
Mastery	38	9.6%	31	8.6%	21	5.3%	35	8.8%	27	7.5%	24	6.0%
Basic	191	48.1%	135	37.5%	142	35.9%	176	44.3%	119	33.1%	136	34.3%
Approaching Basic	103	25.9%	109	30.3%	151	38.1%	98	24.7%	105	29.2%	139	35.0%
Unsatisfactory	61	15.4%	79	21.9%	81	20.5%	85	21.4%	106	29.4%	96	24.2%
Total	397	100.0%	360	100.0%	396	100.1%	397	100.0%	360	100.0%	397	100.0%

District Achievement Level Results	English Language Arts						Mathematics					
	2005		2004		2003		2005		2004		2003	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	1	0.3%	1	0.3%	0	0.0%	3	0.9%	6	2.0%	3	1.0%
Mastery	37	11.0%	22	7.5%	19	6.1%	8	2.4%	10	3.4%	9	2.9%
Basic	120	35.6%	102	34.8%	95	30.4%	151	44.8%	140	47.6%	109	34.8%
Approaching Basic	132	39.2%	121	41.3%	125	39.9%	88	26.1%	73	24.9%	69	22.0%
Unsatisfactory	47	13.9%	47	16.1%	74	23.6%	87	25.8%	65	22.1%	123	39.3%
Total	337	100.0%	293	100.0%	313	100.0%	337	100.0%	294	100.0%	313	100.0%

**Iberville Parish School Board
Plaquemine, Louisiana**

Schedule 8

**The Graduation Exit Exam for the 21st Century
For the year ended June 30, 2005**

District Achievement Level Results	Spring 2005 GEE 21							
	ELA		Math		Science		Social Studies	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10								
Advanced	1	0.5%	8	3.9%	4	2.3%	0	0.0%
Mastery	21	10.1%	18	8.7%	18	10.5%	16	9.2%
Basic	88	42.3%	75	36.2%	59	34.3%	82	47.4%
Approaching Basic	60	28.8%	34	16.4%	63	36.6%	37	21.4%
Unsatisfactory	38	18.3%	72	34.8%	28	16.3%	38	22.0%
Total	208	100.0%	207	100.0%	172	100.0%	173	100.0%

District Achievement Level Results	English Language Arts				Mathematics			
	2004		2003		2004		2003	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10								
Advanced	1	0.4%	0	0.0%	13	5.8%	3	1.0%
Mastery	27	11.9%	28	9.7%	29	12.9%	31	10.7%
Basic	94	41.4%	104	36.0%	86	38.2%	98	33.9%
Approaching Basic	58	25.6%	99	34.3%	41	18.2%	74	25.6%
Unsatisfactory	47	20.7%	58	20.0%	56	24.9%	83	28.8%
Total	227	100.0%	289	100.0%	225	100.0%	289	100.0%

District Achievement Level Results	Science				Social Studies			
	2004		2003		2004		2003	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11								
Advanced	4	2.0%	0	0.0%	0	0.0%	1	0.4%
Mastery	8	4.1%	11	4.5%	10	5.1%	18	7.4%
Basic	61	31.0%	94	38.7%	97	49.7%	101	41.6%
Approaching Basic	66	33.5%	79	32.5%	59	30.3%	65	26.7%
Unsatisfactory	58	29.4%	59	24.3%	29	14.9%	58	23.9%
Total	197	100.0%	243	100.0%	195	100.0%	243	100.0%

**Iberville Parish School Board
Plaquemine, Louisiana**

Schedule 9

**The IOWA Tests
For the year ended June 30, 2005**

	Composite		
	2005	2004	2003
Test of Basic Skills (ITBS)			
Grade 3	47	50	42
Grade 5	49	44	47
Grade 6	36	39	37
Grade 7	44	39	40
Test of Educational Development (ITED)			
Grade 9	38	37	37

Scores are reported by National Percentile Rank. A student's National Percentile Rank shows the student's relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. A student with a score of 72 indicates that the student scored the same or better than 72 percent of the students in the norm group.



Iberville Parish School Board

MARTIN H. BERA
*Superintendent
Secretary-Treasurer*

MELVIN LODGE
President

GLYNA KELLEY
Vice-President

October 17, 2006

Mr. C. Michael Schexnayder
Postlethwaite and Netterville
P.O. Box 1190
Donaldsonville, LA 70346

Dear Mr. Schexnayder:

The following is a response to the items brought to the attention of the Iberville Parish School Board in your management letter as a result of your financial audit for the year ended June 30, 2005.

Failure to Submit Financial Statements in a Timely Manner

The audited financial statement of the Iberville Parish School Board were not submitted within six months of the close of the fiscal year ended June 30, 2005 as required by LSA-RS24:513(5)(a). We concur with this finding and are currently working to hire a Chief Financial Officer/Business Manager who will work diligently, along with our current accounting staff, to ensure that the audit information and corresponding financial statements are prepared timely.

Unsecured Deposits

During the course of your audit, it was noted that the Iberville Parish School Board did not ensure that all deposits on hand were fully collateralized. We concur with the finding and will ensure that deposits are fully collateralized at all times.

Louisiana Budget Law

During the course of your audit, it was noted that the Iberville Parish School Board did not adopt budgets for eight of its special revenue funds. We concur with the finding and all budgets will be adopted each year as required by law.

State Contract Purchases

During the course of your audit, it was noted that the Iberville Parish School Board did not verify the vendor's state contract information with Office of State Purchasing for accuracy. In the future, vendors will be verified with the Office of State Purchasing as state contract approved prior to purchases being made. In addition, the purchase price supplied by the state contract vendor will be verified to be certain we are paying the state contract price.

P.O. BOX 151 • PLAQUEMINE, LA 70765-0151 • PH. (225) 687-4341 • FAX (225) 687-5408 • www.ipsb.net

Carson Trusclair
Maringouin, La.

Louis J. Martinez
Plaquemine, La.

Tom Delahaye
Plaquemine, La.

Brian S. Willis
Plaquemine, La.

Melvin Lodge
St. Gabriel, La.

David J. Daigle
Grosse Tete, La.

Paul B. Distefano
Plaquemine, La.

Dorothy R. Sansoni
Plaquemine, La.

Nancy T. Broussard
St. Gabriel, La.

Albertha D. Hasten
White Castle, La.

Glyna M. Kelley
Plaquemine, La.

Michael C. Barbee
Plaquemine, La.

Thomas J. Edwards
Plaquemine, La.

Freddie Molden, III
Bayou Goula, La.

Darlene M. Ourso
White Castle, La.

Timely Financial Data

During the course of your audit, it was noted that the Iberville Parish School did not provide timely financial data to the Board Members. We concur with the findings and will ensure that timely and accurate financial data is presented to the Board Members quarterly.

Reimbursement Requests

During the course of your audit, it was noted that some reimbursement requests were being made without using the actual general ledgers which could result in failure to be reimbursed for all qualified expenditures. We concur with your findings and will ensure that general ledger reports are used when making reimbursement requests.

Federal Award Certifications

During the course of your audit, it was noted that some certifications for employees that work solely on federal award programs were not prepared as required by Circular A-87. The Iberville Parish School Board will obtain signed semi-annual certifications on all employees who work solely on single Federal grant award or cost objective programs.

Physical Inventory

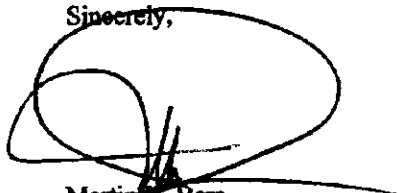
During the course of your audit, it was noted that a physical inventory of equipment had not been made within the last two years as required by Circular A-102. The Iberville Parish School Board has begun tracking fixed assets in-house on a computerized system. Prior to this audit year, the fixed assets were maintained by an outside consultant. The Iberville Parish School Board will conduct a physical inventory of equipment at least once every two years and reconcile the results to our equipment records.

Vendor Verification

During the course of your audit, it was noted that the Iberville Parish School Board was not verifying that vendors were not suspended or disbarred when purchases from a vendor exceeded \$25,000 as required by Circular A-102. The Iberville Parish School Board will verify that a vendor is not suspended or disbarred from doing business on all vendors whose purchases exceed \$25,000. The verification process will be performed by using the Excluded Parties List System as maintained by the General Services Administration and a copy of the verification will be kept on file.

Please contact me should you have any additional questions.

Sincerely,



Martin H. Bera
Superintendent



Postlethwaite & Netterville

A Professional Accounting Corporation
Associated Offices in Principal Cities of the United States
www.pncpa.com

To the Members of the
Iberville Parish School Board
Plaquemine, LA.

We have audited the general-purpose financial statements of the Iberville Parish School Board for the year ended June 30, 2005, and have issued our report thereon dated October 10, 2006. Professional standards suggest that we provide you with the following information related to our audit.

As stated in our engagement letter dated July 11, 2005, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with generally accepted accounting principles. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud and defalcations, may exist and not be detected by us.

As part of our audit, we considered the internal control structure of the Iberville Parish School Board. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control structure. During the course of the performance of our audit procedures and documentation of the School Board's internal controls, we noted certain immaterial items that have been communicated to management by way of discussion. The following is a description of items that were of such significance to comment in a formal management letter.

Lack of Segregation of Duties for Payroll

Finding: The payroll clerk has the ability to set up new employees in the computer system, make changes in the employee data fields in the system, and prepare the payroll checks. The changes made by the payroll clerk are not monitored on a regular basis.

Recommendation: This weakness in controls needs to be strengthened by a separation of these duties or by the monitoring by independent personnel of all changes made by the payroll clerk.

Checks

Finding: The school board prints checks for expenditures and any alignment checks (unused checks) are kept in the vault and used for manual checks or substitute checks if an original check is damaged.

Recommendation: The School Board should void all unused checks after each check run. No checks should be kept for the use of manual checks or substitute checks.

IT Security

Finding: The School Board has computers with Windows 98 platform and do not require passwords for file access. The School Board does not have security standards set by ICS2, passwords for networks should be seven characters, alpha numeric, case sensitive and have one special character and be required to change every 60 to 90 days. The school board does not have a policy to inactivate terminated employees in an immediate fashion. The School Board does not have a review of user access rights within the CIMS system to determine if access rights are appropriate.

Recommendation: The School Board should upgrade computers with Windows 98 to a supported platform and requires passwords for file access, set passwords for networks to agree to standards set by ICS2, create a policy to inactivate terminated employees in an immediate fashion, and appoint an appropriate employee to review user access rights within the CIMS system to determine if access rights are appropriate.

Storage of Backup Files

Finding: The School Board performs a backup of network servers, but backup files remain in the network center. Additionally, the backup from the AS400 is removed on a weekly basis.

Recommendation: The School Board should store the backup files in a fireproof safe in a secure location somewhere off site. A backup from the AS400 should be made on a daily basis and also stored at a secure location off site.

This information is intended solely for the use of the Board Members and management of the Iberville Parish School Board and should not be used for any other purpose.

Pentthuraith & McArthur

Donaldsonville, Louisiana
October 10, 2006

